



## EXHIBITS

Proceeding/Serial No: **91184978**

Filed: 2/22/2011

Title: EXHIBITS TO THE JAN. 13, 2011  
DEPOSITION OF ROHINISH HOODA FILED  
WITH ESTTA ON 2/22/2011

Part: 1 of 3

**91184978**



## BULKY EXHIBITS

Proceeding/Serial No: 91184978

Filed: 2/22/2011

Title: EXHIBITS TO THE JAN. 13,  
2011 DEPOSITION OF ROHINISH HOODA  
FILED WITH ESTTA ON 2/22/2011S

EXHIBIT 29: 1 CD

EXHIBIT 30: 1 CD

**91184978**

IN THE TRADEMARK TRIAL AND APPEAL BOARD  
OF THE UNITED STATES PATENT AND TRADEMARK OFFICE

McNEIL-PPC, INC.,

Opposer,

-against-

WALGREEN CO.,

Applicant.

Opp. No. 91184978

#76682070

## EXHIBITS

13 – 19, 21 – 26, 28 – 44, 63 – 69, 71,  
77 -79, 84, 87-100

To The January 13, 2011  
Deposition of Rohinish Hooda  
Filed with ESTTA on 2/22/11

Certificate of Mailing

I hereby certify that this correspondence is being deposited with the United States Postal Service via Express Mail No. \_\_\_\_\_ EV  
815845751 US in an envelope addressed to the Trademark Trial and Appeal Board, U.S. Patent and Trademark Office, , P.O. Box  
1451, Alexandria, VA 22313-1451 on:

2/23/11

(Date of Deposit)

MARCO ORTIZ

(Printed name of person mailing paper or fee)

Law Ortiz

(Signature)

2/23/11

(Date of Signature)



02-22-2011

# **EXHIBIT 13**



## Important Information About Your Prescription Drug Coverage

Dear Guardian:

In the past, your doctor prescribed a ZYRTEC<sup>®</sup> (cetirizine HCl) product for you or a family member. This letter is to inform you that ZYRTEC<sup>®</sup>, the leading prescription medicine<sup>1</sup> for relieving indoor and outdoor upper respiratory allergy symptoms, is now available over-the-counter (OTC). This means you can buy the same 24-hour, original prescription strength ZYRTEC<sup>®</sup> products without a prescription in stores wherever OTC products are sold.\*

All forms of ZYRTEC<sup>®</sup> are available over-the-counter for use by adults and children:

- ZYRTEC<sup>®</sup> Tablets
- Children's ZYRTEC<sup>®</sup> Syrup and Chewable Tablets
- ZYRTEC-D<sup>®</sup> 12-HOUR<sup>®</sup> Extended Release Tablets are available without a prescription in most states. You can ask for ZYRTEC-D<sup>®</sup> at the retail or pharmacy counter.

After January 30, 2008, only ZYRTEC<sup>®</sup> Syrup will be covered by your prescription benefits program. However, all forms of non-prescription ZYRTEC<sup>®</sup> will also be available to you with a doctor's prescription at the lowest first tier copayment (see your schedule of benefits for copayment levels).

Since ZYRTEC<sup>®</sup> will be available for purchase in stores wherever OTC products are sold, you can also purchase the product without a prescription for an estimated retail cost of under \$25. Please discuss with your doctor if ZYRTEC<sup>®</sup> is right for you.

The enclosed *Question & Answer* sheet on ZYRTEC<sup>®</sup> provides more information.

Find more money-saving offers and helpful tips about managing your allergies, choosing appropriate medicines, and using your healthcare dollars wisely. Visit the new online center sponsored by McNeil Consumer Healthcare at [www.myhealthyseasons.com](http://www.myhealthyseasons.com).

Sincerely,

Blue Choice South Carolina

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRIAL AND APPEAL BOARD

McNeil-PPC, Inc.,

Opponent,

Opp. No. 91134978

Walgreen Co.,

Applicant.

Rohinish Hooda; Opposer Test. Dep. Ex. 13

<sup>1</sup> IMS Total Prescriptions 2004-2007

\*Not all prescription indications will be switched to OTC status.

This mailing was funded by McNeil Consumer Healthcare, a Division of McNEIL-PPC, Inc., which is the maker of ZYRTEC<sup>®</sup>. McNeil Consumer Healthcare is an independent company that does not provide BlueCross BlueShield of South Carolina products or services.

No patient information has been provided to McNeil.

The ZYRTEC<sup>®</sup> trademark is used under license from UCB SA.

BlueCross, BlueShield and the Cross and Shield Symbols are registered marks of the Blue Cross and Blue Shield Association.

# **EXHIBIT 14**



January 2008

Dear Member:

CareFirst BlueCross BlueShield and CareFirst BlueChoice, Inc. are committed to providing you with the most up-to-date information regarding your prescription drug coverage. The purpose of this letter is to notify you about changes to our preferred drug list (formulary). Please take a moment to review this important information.

Beginning January 24, 2008, ZYRTEC<sup>®</sup> (cetirizine HCl) will be available as an over-the-counter (OTC) medication. This means that you can buy the original, prescription strength ZYRTEC<sup>®</sup> products without a prescription. As a result, ZYRTEC<sup>®</sup> will no longer be a covered drug under your prescription plan.

With ZYRTEC<sup>®</sup> available over-the-counter, you can receive the same level of allergy relief, without the expense of a prescription. All forms of ZYRTEC<sup>®</sup> will be available over-the-counter for use by adults and children\*, which include:

- ZYRTEC<sup>®</sup> Tablets, and
- Children's ZYRTEC<sup>®</sup> Syrup and Chewable Tablets.

Please note that ZYRTEC-D<sup>®</sup> 12-HOUR<sup>®</sup> Extended Release Tablets are available without a prescription in most states. However, you will need to ask for this OTC medication at the retail or pharmacy counter.

Should you have additional questions about the content of this letter, please call the Member Service telephone number listed on your member ID card. Our service hours are Monday – Friday from 7:00 am – 7:00 pm and Saturday from 8:00 am – 1:00 pm. **So that we may serve you as quickly as possible, please have your ID card available.**

Sincerely,

Winston Wong, PharmD  
Associate Vice President, Pharmacy Management

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

McNeil-PPC, Inc.,

Opposer,

Opp. No. 91184978

v.

Walgreen Co.,

Applicant.

**Rohinish Hooda; Opposer Test. Dep. Ex. 14**

*The ZYRTEC<sup>®</sup> trademark is used under license from UCB S.A.*

*This mailing is supported by funding from McNeil Consumer Healthcare, a Division of McNEIL-PPC, Inc., which is the maker of ZYRTEC<sup>®</sup>. Please note that we ensure your privacy and no personal health information has been provided to McNeil Consumer Healthcare.*

*\*Not all prescription indications will be switched to OTC status.*

PIIA0997

CareFirst BlueCross BlueShield and CareFirst BlueChoice, Inc. are independent licensees of the Blue Cross and Blue Shield Association.  
® Registered trademark of the Blue Cross and Blue Shield Association. ® Registered trademark of CareFirst of Maryland, Inc.

PL006050AD WIN62/11A LP 1 01/08/08

**McNeil 001239**

# **EXHIBIT 15**



P.O. Box 1991  
Wilmington, DE 19899-1991  
hcbx.de.com

**Dear Valued Member:**

**Blue Cross Blue Shield of Delaware (BCBSD) is committed to keeping you informed of changes in your health care benefits. A recent change has been made to our preferred drug list (formulary) that may affect you.**

**Beginning January 24, 2008, ZYRTEC<sup>®</sup> (cetirizine HCl) will be available as an over-the-counter (OTC) medication. This means that you can buy the original prescription strength ZYRTEC<sup>®</sup> products without a prescription. As a result, ZYRTEC<sup>®</sup> will no longer be a covered drug under your prescription plan.**

**All forms of ZYRTEC<sup>®</sup> will be available as OTC medications for use by adults and children\*, including:**

- ZYRTEC<sup>®</sup> Tablets
- Children's ZYRTEC<sup>®</sup> Syrup and Chewable Tablets

**Please note that the ZYRTEC-D<sup>®</sup> 12-HOUR<sup>®</sup> Extended Release Tablets are available without a prescription in most states; however, you will need to ask for this OTC medication at the retail or pharmacy counter.**

For the most current preferred drug list, please visit our website, [bcbsde.com](http://bcbsde.com), and click on *Check Rx Drug Coverage*. If you have questions about your prescription drug benefits, please call 800.865.4018.

Sincerely,

Winston Wong

**Winston Wong, PharmD.**  
CareFirst, Inc., Associate Vice President, Pharmacy Management  
Consultant to BCBSO

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

**McNeil-PPC, Inc.**

**Opposer**

Doc No 9114971

Walgreen Co.

Appl. Kinet.

**Rohinik Hooda; Opposer Test. Dep. Ex. 15**

*CareFirst, Inc., provides limited administrative services for BCBSD related to pharmacy management, including the medication utilization review program, pharmacy network contracting and formulary management.*

This mailing is supported by funding from McNeil Consumer Healthcare, a Division of McNEIL-PPC, Inc., which is the maker of ZYRTEC<sup>®</sup>. The ZYRTEC<sup>®</sup> trademark is used under license from UCB S.A.

\*All ZYRTEC<sup>®</sup> indications will be OTC, except for the treatment of children between the ages of 6 months and 2 years, which still requires a prescription.

**Blue Cross Blue Shield of Delaware is an independent licensee of the Blue Cross and Blue Shield Association.**

THESE WAREHOUSE LOGS

**McNeil 001240**

# **EXHIBIT 16**

# The number one prescribed allergy pill.

## Now minus the prescription.

Indoor & Outdoor Allergies



**24  
hour**

Relief of  
Sneezing  
Runny Nose  
Itchy, Watery Eyes  
Itchy Throat or Nose

**SAVE \$400**

on 100 mg ADULT ZYRTEC® & ZYRTEC OTC



IMPORTANT: Read and compare all directions carefully. See also our website: [www.zyrtec.com](http://www.zyrtec.com).  
©2001 McNeil-PPC, Inc. All rights reserved. Zyrtec is a registered trademark of McNeil-PPC, Inc. Cetirizine is a registered trademark of McNeil-PPC, Inc. Zyrtec OTC is a registered trademark of McNeil-PPC, Inc. All other trademarks are the property of their respective owners.

**SAVE \$200**

on 1 mg CHILDREN'S ZYRTEC®



IMPORTANT: Read and compare all directions carefully. See also our website: [www.zyrtec.com](http://www.zyrtec.com).  
©2001 McNeil-PPC, Inc. All rights reserved. Zyrtec is a registered trademark of McNeil-PPC, Inc. Cetirizine is a registered trademark of McNeil-PPC, Inc. Zyrtec OTC is a registered trademark of McNeil-PPC, Inc. All other trademarks are the property of their respective owners.

| McNeil-PPC, Inc. vs. Walgreen Co. Trademark Trial and Appeal Board |      |        |                                 | Examiner: [redacted]   |
|--|------|--------|---------------------------------|------------------------|
| Case No. 91124978  |      |        |                                 | Page 1 of 1            |
| Proponent: McNeil-PPC, Inc.  |      |        |                                 | Opponent: Walgreen Co. |
| Issue: [redacted]  |      |        |                                 | Decision: [redacted]   |
| Date   | Page | By     | Description                     |                        |
| 10/30/07   | 1    | CC     | LAYOUT                          |                        |
| 11/02/07   | 2    | cc/mal | copy changes                    |                        |
| 11/28/07   | 3    | LW     | Revise Layout                   |                        |
| 12/08/07   | 4    | AS     | Revisions                       |                        |
| 1/9/08   | 5    | LW     | Revise Layout                   |                        |
| 1/28/08  | 6    | MD     | changes                         |                        |
| 1/30/08  | 7    | MD     | copy changes                    |                        |
| 1/31/08  | 8    | MD     | changes                         |                        |
| 2/04/08  | 9    | MD     | changes                         |                        |
| 2/07/08  | 10   | TH/MD  | copy changes & add coupon codes |                        |
| 2/10/08  | 11   | TH     | Final FTP to News America       |                        |

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

McNeil-PPC, Inc.,

Opposer.

Opp. No. 91124978

Walgreen Co.,

Applicant

McNeil 000013

[illegible]

## FLEX VERSION

|  |        |                                 |  |
|--|--------|---------------------------------|--|
| Thursday, 27 OCT 2011 10:43 AM<br>Thursday, 27 OCT 2011 10:43 AM<br>Thursday, 27 OCT 2011 10:43 AM |        |                                 | 10/27/2011<br>10/27/2011<br>10/27/2011 |
| 1  | cc     | REPORT                          |  |
| 2  | cc/mid | copy changes                    |  |
| 3  | lw     | Revised Layout                  |  |
| 4  | JS     | Revisions                       |  |
| 5  | lw     | Revised Layout                  |  |
| 6  | MD     | changes                         |  |
| 7  | MD     | copy changes                    |  |
| 8  | MD     | changes                         |  |
| 9  | MD     | changes                         |  |
| 10   | TH/MD  | copy changes & add coupon codes |  |
| 11   | TH     | create flow version             |  |
| 12   | TH     | Final TTP to News America       |  |




# **EXHIBIT 17**

Trim Line  
 Valassis Full Page FSI  
 10"H x 6.75"W  
 DOES NOT PRINT

# All Day\* Indoor/Outdoor Allergy Relief


*Available without a prescription*

Starts working  
two hours *faster*  
than Claritin \*\*  
and keeps working  
for 24 hours



**ZYRTEC**

12 Hour  
Relief of  
Allergy Symptoms  
& Congestion





**ZYRTEC-D**

24 Hour  
Relief of Indoor  
& Outdoor Allergy  
Symptoms for  
Children


\*Based on Zyrtec-D 12 Hour Relief. \*\*Based on Claritin 1 mg tablet. Both studies were conducted in healthy subjects. Results may vary. Always read the label. © 2008 McNeil-PPC, Inc. All rights reserved.

## SAVE \$400

When you buy ZYRTEC® 30mg tablets, on  
any ZYRTEC-D® (24 Hour Relief)

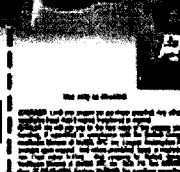




0312847-010800




## SAVE \$200

When you buy ZYRTEC-D® 12 Hour Relief, on  
any ZYRTEC® 30mg tablets

0312847-010801



See back of coupon for details. Offer good while supplies last. © 2008 McNeil-PPC, Inc. All rights reserved.

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
 BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

McNeil-PPC, Inc.,

Opposer,

Opp. No. 91184978

Walgreen Co.

Applicant

Rohinash Hooda; Opposer Test. Dep. Ex. 17




| PROJECT: ZYRTEC FULL PAGE FSI     |        |          |  | Creative Concept Approval       |  |
|-----------------------------------|--------|----------|--|---------------------------------|--|
| Description: ZYRTEC FULL PAGE FSI |        |          |  | Phone: 7951                     |  |
| Rev #                             | Author | Reviewer | Comments                               |                                 |  |
| 5-29-08                           | LW     |          | DESIGN                                 |                                 |  |
| 5-30-08                           | CF     |          | AA's                                   |                                 |  |
| 6-11-08                           | LW     |          | Revisions                              |                                 |  |
| 6-25-08                           | LW     |          | Add footnote                           |                                 |  |
| 7/10/08                           | TH     |          | Adjusted size to Valassis FSI ad specs |                                 |  |
| 7/14/08                           | TH     |          | Added Coupon Codes                     |                                 |  |
| 7/14/08                           | TH     |          | Final upload to Valassis               |                                 |  |
|                                   |        |          |  | Approved for Print              |  |
|                                   |        |          |  | for the 1 & 2 prior to printing |  |

McNeil 000034


Trim Line  
Valassis Full Page FSI  
10"H x 6.75"W  
DOES NOT PRINT

**SAVE \$400**

Get any Adult ZYRTEC<sup>®</sup> 10 mg tablet or 24 Hour ZYRTEC<sup>®</sup> D (24 ct or larger)






0312547-010800




**SAVE \$200**

Get any Children's ZYRTEC<sup>®</sup> 1 mg/5 mL syrup




0312547-010801




## All Day<sup>\*</sup> Indoor/Outdoor Allergy Relief

*Available without a prescription*


Starts working  
two hours faster<sup>\*\*</sup>  
than Claritin<sup>®</sup> \*\*  
and keeps working  
for 24 hours



12 Hour  
Relief of  
Allergy Symptoms  
& Congestion



24 Hour  
Relief of Indoor  
& Outdoor Allergy  
Symptoms for  
children



\*Based on a study comparing ZYRTEC 10 mg tablets to Claritin 10 mg tablets. ZYRTEC 10 mg tablets had a faster onset of action than Claritin 10 mg tablets. \*\*Based on a study comparing ZYRTEC 10 mg tablets to Claritin 10 mg tablets. ZYRTEC 10 mg tablets had a faster onset of action than Claritin 10 mg tablets. \*\*\*Based on a study comparing ZYRTEC 10 mg tablets to Claritin 10 mg tablets. ZYRTEC 10 mg tablets had a faster onset of action than Claritin 10 mg tablets.

### FLEX VERSION

| Project # |    | Revision                               |  | Description          |  | Date    |  |
|-----------|----|--|--|----------------------|--|---------|--|
| 000000    |    | 1                                      |  | ZYRTEC FULL PAGE FSI |  | 7/14/06 |  |
| Rev #     |    | Initial                                |  | Phone: 7951          |  |         |  |
| 5-29-06   | LW | DESIGN                                 |  |                      |  |         |  |
| 5-30-06   | CF | AAs                                    |  |                      |  |         |  |
| 6-11-06   | LW | Revisions                              |  |                      |  |         |  |
| 6-25-06   | LW | Add footnote                           |  |                      |  |         |  |
| 7/10/06   | TH | Adjusted size to Valassis FSI ad specs |  |                      |  |         |  |
| 7/14/06   | TH | Added Coupon Codes                     |  |                      |  |         |  |
| 7/14/06   | TH | Final upload to Valassis               |  |                      |  |         |  |
|           |    |  |  |                      |  |         |  |
|           |    |  |  |                      |  |         |  |
|           |    |  |  |                      |  |         |  |
|           |    |  |  |                      |  |         |  |

**Creative Concept  
Approval**

\_\_\_\_\_  
Joan Lamenador

\_\_\_\_\_  
Keith Monroe

\_\_\_\_\_  
Carm Small

\*Sign-off required  
for Part 1 & Part 2  
prior to printing

McNeil 000035

# **EXHIBIT 18**

Trim Line  
Valassis Full Page FSI  
10" H x 6.75" W  
DOES NOT PRINT

# All Day\* Indoor/Outdoor Allergy Relief

*Available without a prescription*

Starts working  
two hours faster  
than Claritin\*\*  
and keeps working  
for 24 hours



12 Hour  
Relief of  
Allergy Symptoms  
& Congestion





24 Hour  
Relief of Indoor  
& Outdoor Allergy  
Symptoms for  
Children

© McNeil-PPC, Inc. 2008

\*Claritin-D 24 Hour Relief, Zyrtec-D 12 Hour Relief and Zyrtec-D 24 Hour Relief products tested for 24 hours.  
\*\*Based on studies of Claritin-D 24 Hour Relief vs. Zyrtec-D 12 Hour Relief for indoor and outdoor  
allergy relief. Claritin-D 24 Hour Relief starts working faster than Zyrtec-D 12 Hour Relief.

## SAVE \$400



Buy any Adult ZYRTEC<sup>®</sup> 12 Hour Relief or  
any ZYRTEC-D<sup>®</sup> (24 or 12 Hour)

0312547-010000

## SAVE \$200

Buy any Children's ZYRTEC<sup>®</sup> 12 Hour Relief or  
any Children's ZYRTEC-D<sup>®</sup> (12 Hour)

0312547-010001

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

McNeil-PPC, Inc.,

Opposer.

Opp. No. 91184978

Walgreen Co.,

Applicant

Robinish Hooda; Opposer Test. Dep. Ex. 18

|         |                                      |        |  |  |  |   |
|---------|--------------------------------------|--------|--|--|--|---|
| 35      | Project P: A8005-34                  |        |  |  |  | Creative Concept<br>Approval*                                 |
|         | Description: ZYRTEC FULL PAGE FSI    |        |  |  |  |   |
|         | Project Manager: TESTISW Phone: 7951 |        |  |  |  |   |
| Date    | Rev #                                | Artist | Marketing/Design/Other                 |  |  | JOAN<br>Joan Lamensdorf                                       |
| 5-29-08 |                                      | LW     | DESIGN                                 |  |  | KEITH<br>Keith Monroe   |
| 5-30-08 |                                      | CF     | AA's                                   |  |  |   |
| 6-11-08 |                                      | LW     | Revisions                              |  |  | CARA<br>Cara Snell  |
| 6-25-08 |                                      | LW     | Add footnote                           |  |  |   |
| 7/10/08 |                                      | TH     | Adjusted size to Valassis FSI ad specs |  |  | *Sign-off required<br>for Tier 1 & Tier 2<br>prior to loading |
| 7/14/08 |                                      | TH     | Added Coupon Codes                     |  |  |   |
| 7/14/08 |                                      | TH     | Final upload to Valassis               |  |  |   |
|         |                                      |        |  |  |  |   |
|         |                                      |        |  |  |  |   |
|         |                                      |        |  |  |  |   |
|         |                                      |        |  |  |  |   |

McNeil 000034

**McNeil 000035**

# **EXHIBIT 19**







**Don't lose  
any more time!**

**ZYRTEC® starts working  
*two hours faster*  
than Claritin.\***

**Indoor & Outdoor  
Allergies**

**24 hour** Relief of  
Sneezing  
Runny Nose  
Itchy, Watery  
Itchy Throat

**OTC Allergy Relief**

\*Based on onset of action studies with ZYRTEC® 10 mg vs. Claritin® and placebo.  
Significant relief vs. Claritin® at 1 hour, for the first time period evaluated.  
The third party trademarks used herein are trademarks of their respective owners.

[illegible]

**McNeil 000052**

# **EXHIBIT 21**



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

McNeil-PPC, Inc.,

Opposer,

Opp. No. 91134973

v

Walgreen Co.

Applicant

Rohinish Hooda; Opposer Test. Dep. Ex. 21

January 18, 2008

Dear Customer,

Thank you for choosing Walgreens to fill your prescription for ZYRTEC<sup>®</sup> (cetirizine HCl). We would like to let you know that ZYRTEC<sup>®</sup> will be available as an over-the-counter (OTC) medication in late January and you will no longer need a prescription to obtain it. You will be able to purchase ZYRTEC<sup>®</sup> over-the-counter at most retail stores and pharmacies, including your local Walgreens.

Since ZYRTEC<sup>®</sup> will be available over-the-counter, it may no longer be covered under your prescription benefit. To verify coverage, please contact your prescription benefit provider directly.

The enclosed *Questions & Answers* provides more information about ZYRTEC<sup>®</sup> and includes a coupon for \$5 off your first purchase of any ZYRTEC<sup>®</sup> product (Walgreens mail-order excluded). Simply present the coupon at the time of purchase.

**Please remember.....all OTC medicines are real medicines and they should be used only as directed. Since they can have side effects and can interact with your prescription medications, it's important to let your doctor and pharmacist know what over-the-counter medications you take.**

For more helpful information about managing your allergies and choosing appropriate medications, please talk to your doctor, pharmacist, or visit [www.myhealthyseasons.com](http://www.myhealthyseasons.com).

Sincerely,

Walgreens Pharmacy

The FDA has approved OTC status for all ZYRTEC<sup>®</sup> indications, except for the treatment of children between the ages of 6 months and 2 years, which still requires a prescription. This mailing has been provided with financial support from McNeil Consumer Healthcare, a division of McNEIL-PPC, Inc., the manufacturer of ZYRTEC<sup>®</sup>. To ensure your privacy, no information that can identify you will be provided to McNeil. The ZYRTEC<sup>®</sup> trademark is used under license from UCB S.A.

©2007 Walgreen Co. All rights reserved  
CS7642-1207

Walgreen's 01/18/07 14:44 (10/2/2007)

McNeil 001256

# **EXHIBIT 22**



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

McNeil-PPC, Inc.,

Opposer,

Opp. No. 91184978

Walgreen Co.

Applicant.

Rohinish Hooda; Opposer Test. Dep. Ex. 22

McNeil 001025



NEW! Original Prescription Strength

# ZYRTEC

Cetirizine HCl ALLERGY

10 mg tablets  
1 mg syrup  
1 mg granules  
1 mg syrup  
1 mg granules  
1 mg syrup  
1 mg granules  
1 mg syrup  
1 mg granules

10 mg tablets  
1 mg syrup  
1 mg granules  
1 mg syrup  
1 mg granules  
1 mg syrup  
1 mg granules  
1 mg syrup  
1 mg granules

10 mg tablets  
1 mg syrup  
1 mg granules  
1 mg syrup  
1 mg granules  
1 mg syrup  
1 mg granules  
1 mg syrup  
1 mg granules

Proven allergy relief. E-Z at 10 mg per day.

Value  
\$24.99

Value  
\$24.99







# One Hour Photo

24 EXP-35MM

**6.99**

INSTANT PASSPORT  
& ID PHOTO

**7.9**

NEW!

## ZIRTEC

ALLERGY

Indoor & Outdoor Allergies

24  
Hour

*Get it NOW  
Without a Prescription*

Proven allergy relief. E-Z use.

# ZYRTEC

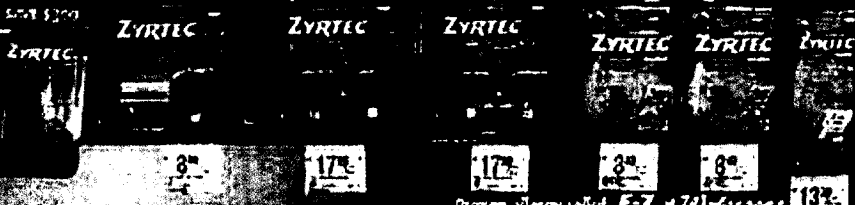
ALLERGY

NEW! Original Prescription Strength

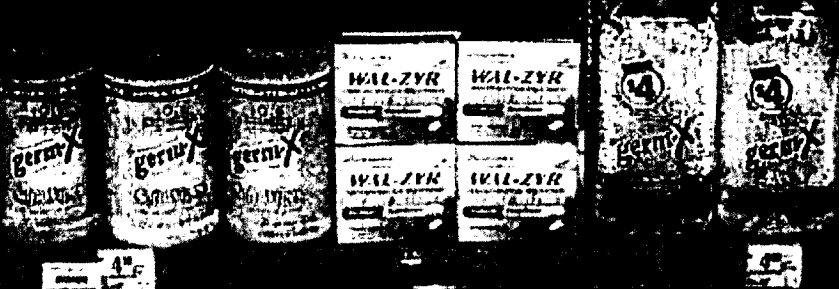
NEW!



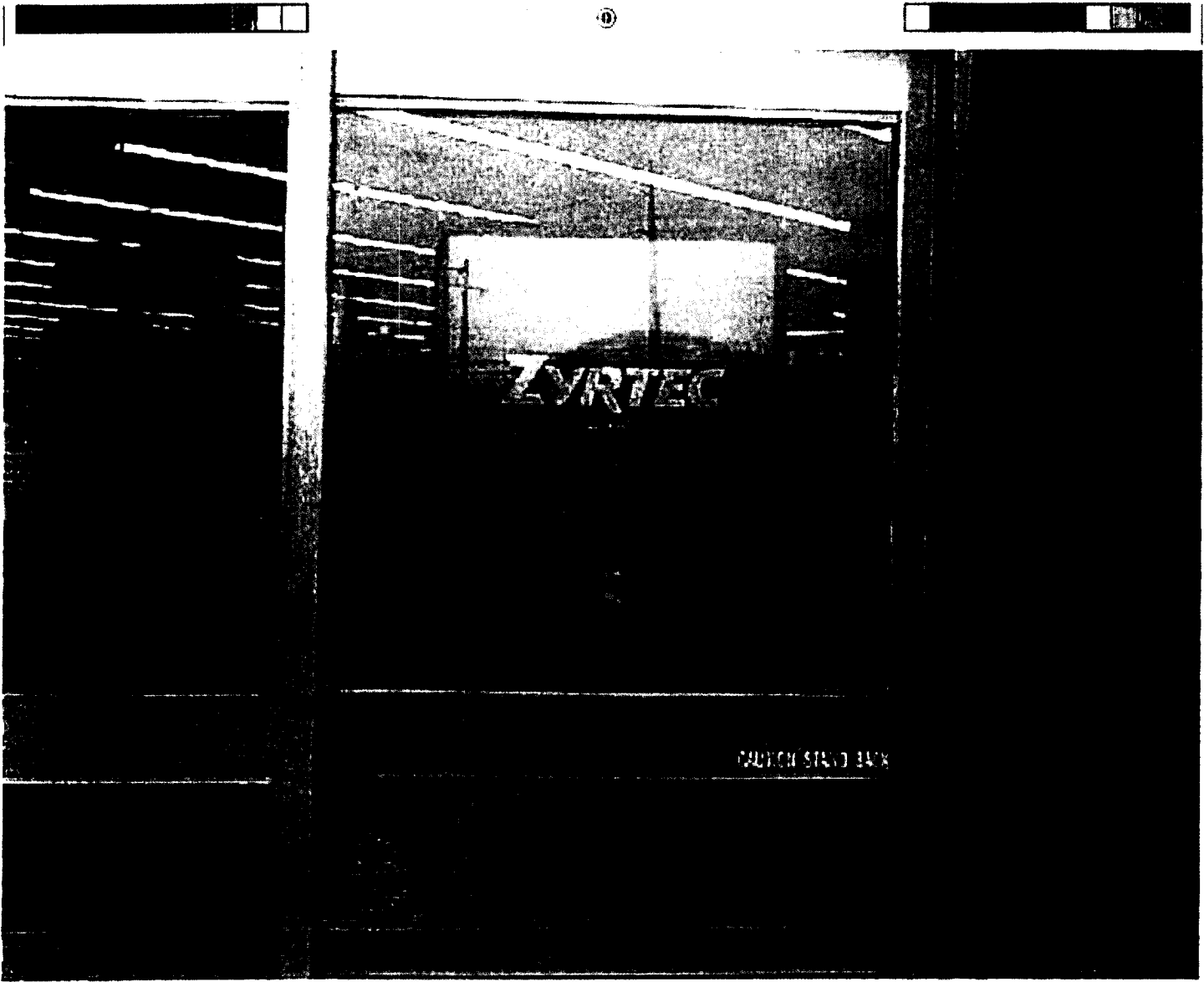
Proven allergy relief. E-Z at Walgreens.



Proven allergy relief. E-Z at Walgreens.

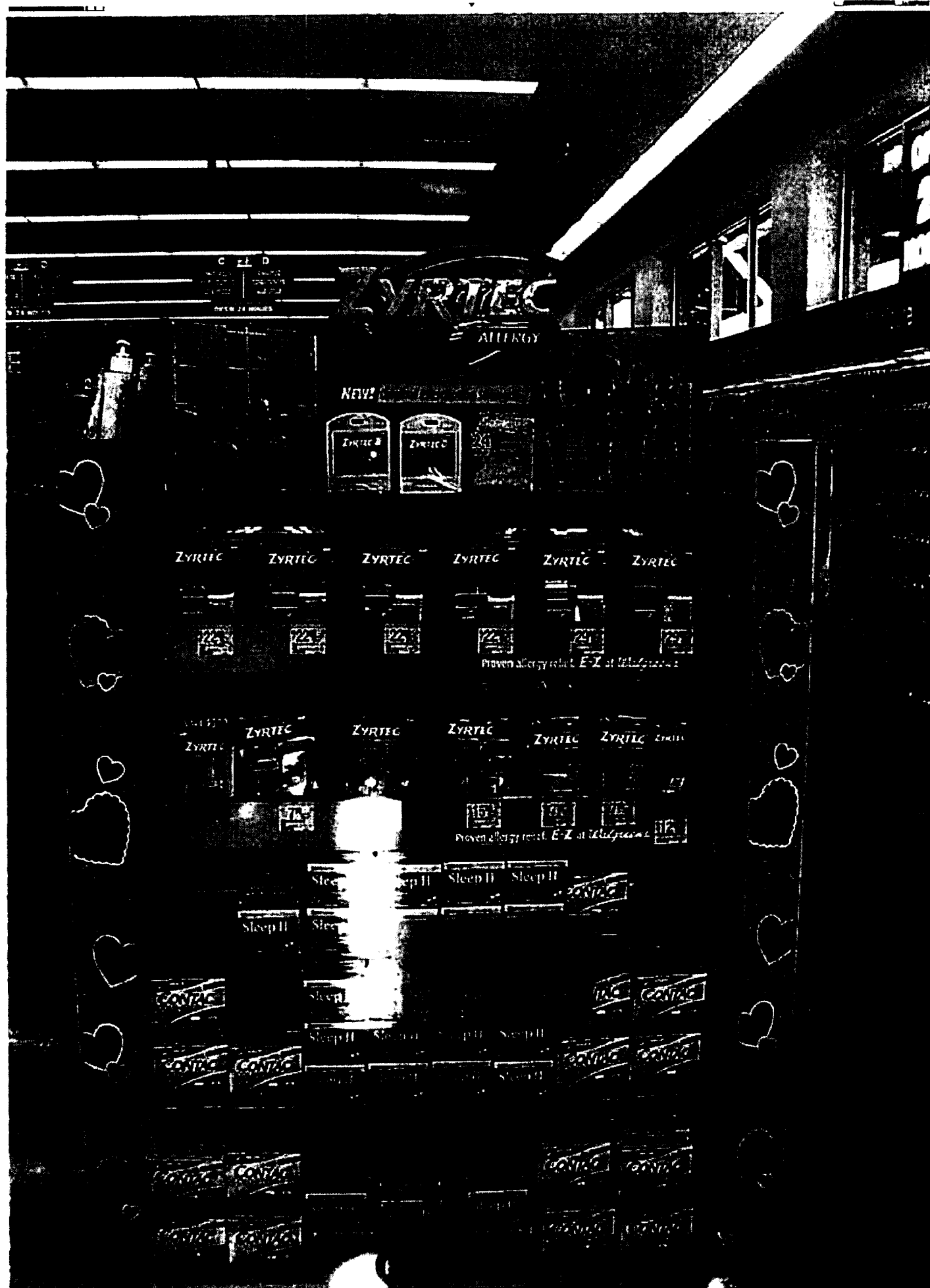






Acc2617065 cmyk 1

4/11/08 5:31:01 PM



WAGGERS AT 2000

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12  
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COUGH SUPPRESSANT

Benadryl

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**ZYRTEC**

ALLERGY

Get it NOW  
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Proven allergy relief. E-Z at Walgreens



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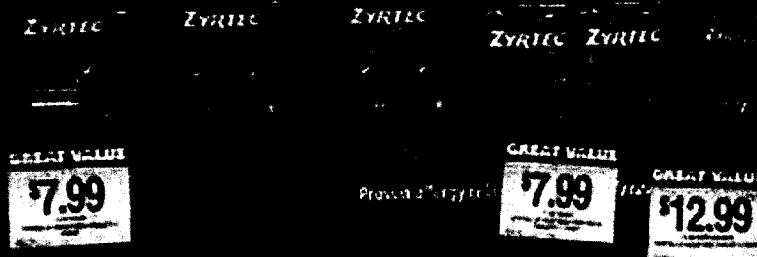
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ALLERGY

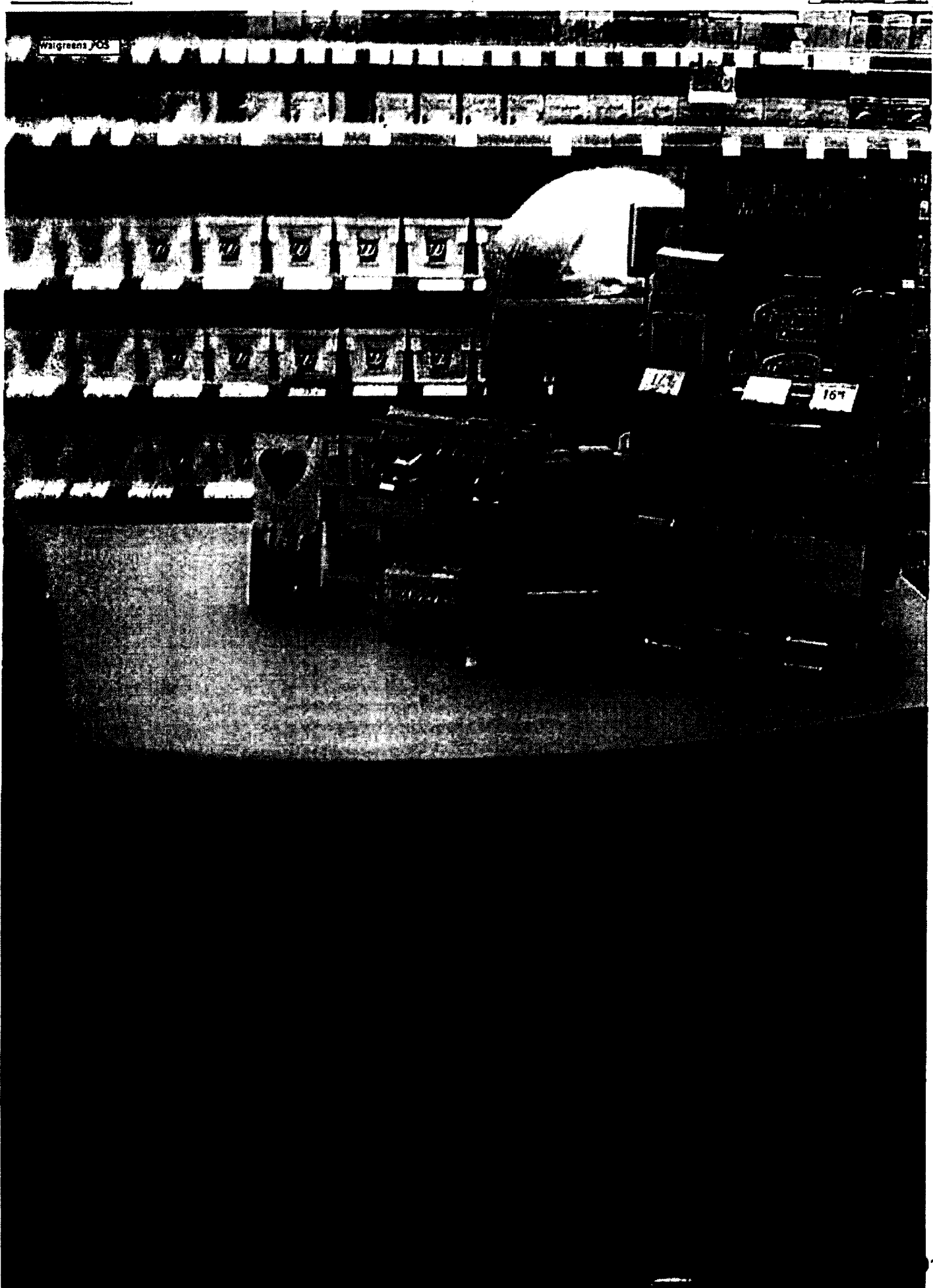
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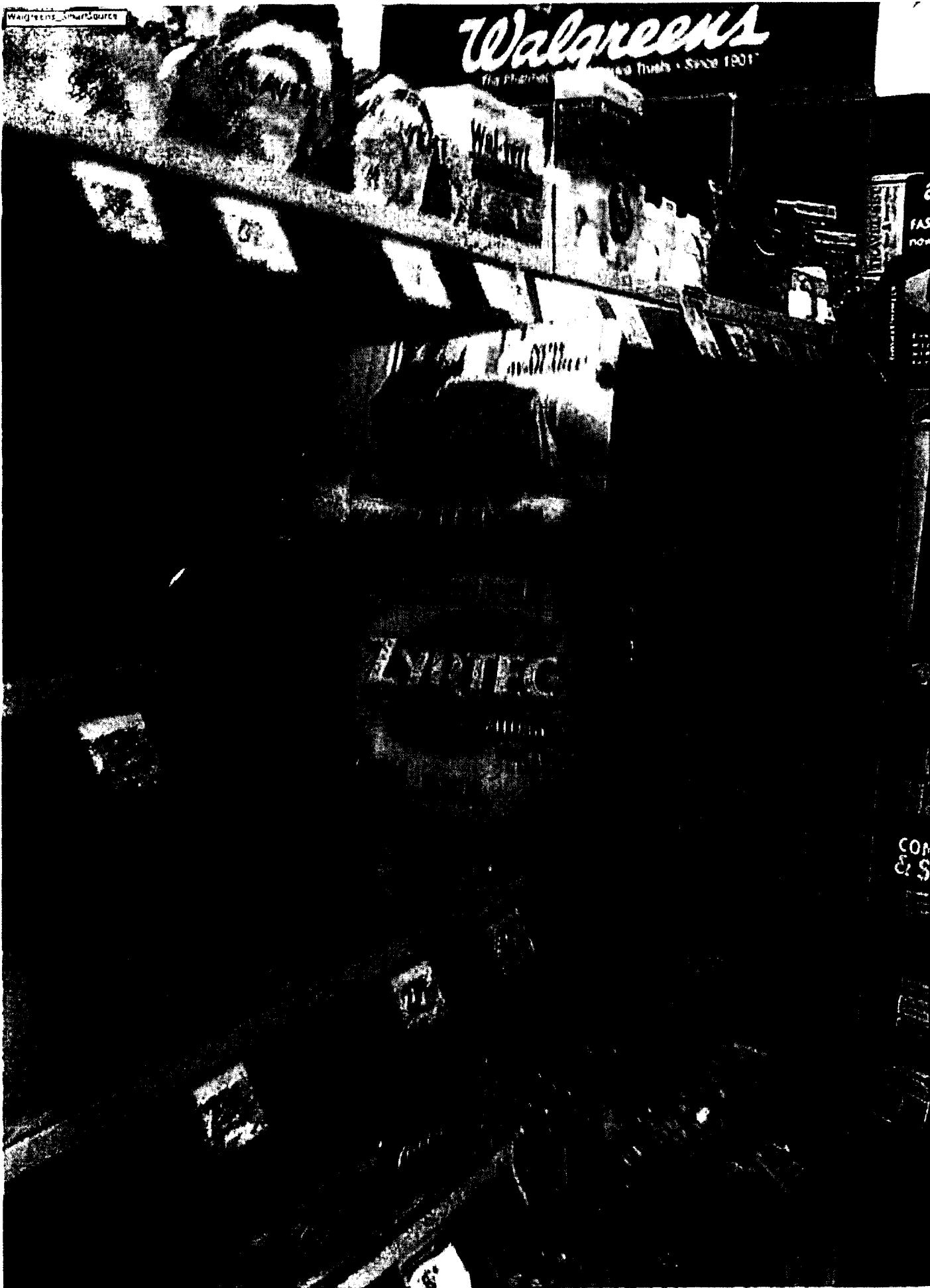
Indoor &  
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Cetirizine HCl ALLERGY

Proven allergy relief. E-Z at [www.zyrtec.com](http://www.zyrtec.com)

\$24.99

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**ZYRTEC**

Cetirizine HCl ALLERGY

Indoor/Outdoor Allergies

24

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ALLERGY

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Outdoor  
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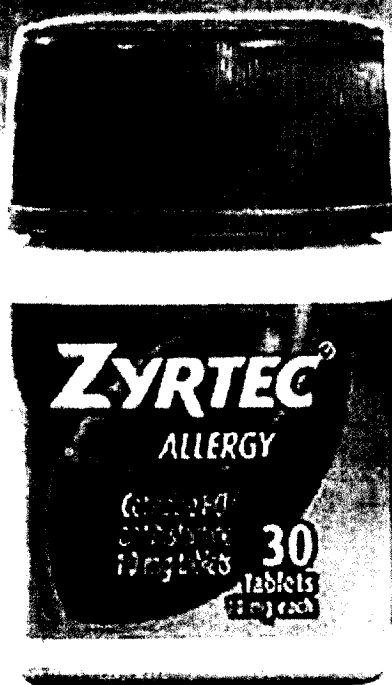


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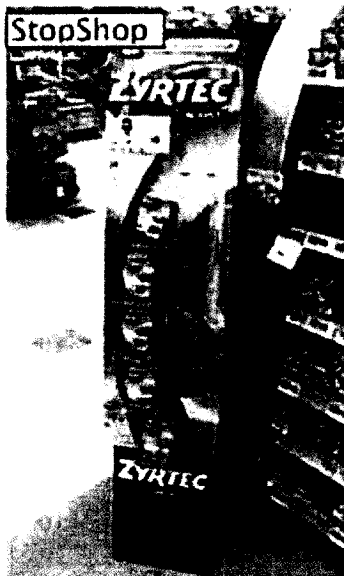


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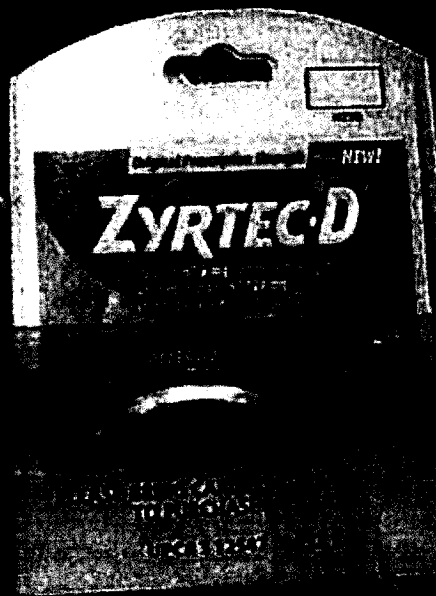
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Now in stores  
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medicine

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**ZYRTEC**

Cetirizine HCl

ALLERGY

Now available at *Walgreens*  
without a prescription.

The *new* prescribed allergy medicine is available without prescription strength.  
— without a prescription.

### Is over-the-counter Zyrtec right for me?

Zyrtec is clinically proven to relieve your indoor and outdoor allergy symptoms. Over-the-counter Zyrtec is the same strength that has been available by prescription for many years. Its cost is covered by most Flexible Spending Account (FSA) plans.

If you have a question about whether a specific allergy treatment is right for you, ask your local Walgreens pharmacist!

### Enjoy 24-hour relief from these allergy symptoms:

- Sneezing
- Runny nose
- Itchy, watery eyes
- Itchy throat or nose

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## Allergy Center

Whether you have classic hayfever or are allergic to certain foods, plants, latex, insect bites, or even some medications, being prepared to head off and handle allergic reactions can save your life.

Learn about recognizing your allergy triggers, diagnosis, and day-to-day management of your allergies with this year-round resource.



### Care Guides and In-Depth Reports

- [Asthma in adults](#)
- [Allergy guide](#)
- [Allergic rhinitis](#)

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### Health Encyclopedia

- [Allergies](#)
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### Ask a Pharmacist Archives

Check our Ask a Pharmacist Archive for questions related to allergy:

- [Allergy](#)
- [Cold, Flu and Virus](#)
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### Wingreen's Recommended Products

- [Asthma Medications](#)
- [Eye Drops & Ointments](#)
- [Household Items For Allergies](#)
- [Allergy Medications](#)



ZYRTEC. LIFE'S NO PLACE FOR ALLERGIES.

## Allergy Relief Made Simple

Living with allergies can be a real challenge—just ask anyone who is allergic to grass, pet dander, mold, or even dust. A self-management approach that includes making environmental changes (for example, changing from a down-filled comforter to a cotton quilt) or a change in habits (exercising during hours when pollen counts typically are lower, for instance) can make a big difference.

Try these tips for relief from allergy symptoms:

- Keep windows closed, use air conditioning.
- Stay indoors between 5 a.m. to 10 a.m.—peak pollen hours.
- Change clothes after being outside.
- Don't dry laundry outside.
- Avoid lawn mowing or raking leaves.
- Opt for hardwood, tile, or linoleum floors, and area rugs vs. wall-to-wall carpets.
- Wash bedding in hot water (130 degrees F).
- Vacuum weekly, using a HEPA filter or a double bag.
- Avoid or at least minimize contact with

Proven allergy relief. **E-Z** at Walgreens

**ZYRTEC<sup>D</sup>**

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ALLERGY • COLD & FLU

**ZYRTEC<sup>D</sup>**

Cetirizine HCl

**Indoor & Outdoor Allergies**

**24  
Hour**

**Relief of**

Sneezing

Runny Nose

Itchy, Watery Eyes

Itchy Throat or Nose

Use only as directed

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
 BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD  
 McNeil-PPC, Inc.,  
 Appellant  
 v.  
 Walgreen Co.,  
 Opposer  
 Opp. No. 91134978

Robtish Hooda: Opposer Test. Dep. Ex. 23

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Proven allergy relief. **E-Z** at Walgreens

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ALLERGY • LONG-LASTING  
12 HOURS

Available at the Pharmacy Counter

**ZYRTEC<sup>D</sup>**  
Cetirizine HCl ALLERGY

Indoor & Outdoor Allergies

**24**  
hour

Relief of  
• Sneezing  
• Runny Nose  
• Itchy, Watery Eyes  
• Itchy Throat or Nose



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| Allergy Medication Comparison |  | Zyrtec (Cetirizine HCl)                                    |  | Claritin (Loratadine)                                      |  |
|-------------------------------|--|--|--|--|--|
| Active Ingredient             | Cetirizine HCl   | Cetirizine HCl   | Loratadine   | Loratadine   | Loratadine   |
| Dosage Forms                  | Tablets, Syrup   | Tablets, Syrup   | Tablets, Syrup   | Tablets, Syrup   | Tablets, Syrup   |
| Onset of Action               | 15-30 minutes  | 15-30 minutes  | 1-3 hours  | 1-3 hours  | 1-3 hours  |
| Duration of Action            | 24 hours   | 24 hours   | 24 hours   | 24 hours   | 24 hours   |
| Common Side Effects           | Drowsiness, Dry Mouth                                      | Drowsiness, Dry Mouth                                      | Drowsiness, Dry Mouth                                      | Drowsiness, Dry Mouth                                      | Drowsiness, Dry Mouth                                      |
| Contraindications             | None known   | None known   | None known   | None known   | None known   |
| Warnings                      | Use with caution in patients with liver or kidney disease. | Use with caution in patients with liver or kidney disease. | Use with caution in patients with liver or kidney disease. | Use with caution in patients with liver or kidney disease. | Use with caution in patients with liver or kidney disease. |

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# **EXHIBIT 24**

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McNeil-PPC, Inc.,

v.

Opposer,

Opp. No. 91184978

Walgreen Co.,

Applicant.

**Robinish Hooda; Opposer Test. Dep. Ex. 24**

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**ZYRTEC® starts working  
2 hours faster than Claritin®.\***

It's the fastest 24-hour over-the-counter allergy relief available for sneezing, runny nose, and watery eyes.

Get \$2.00 Off!

\*ZYRTEC® starts working at hour 2 and Claritin® starts working at hour 3 based on clinical data in two peer-reviewed studies. All third-party trademarks are the property of their respective owners.

**ZYRTEC**

Use only as directed.

**Allergy Forecast Technology**

Outsmart your allergies by checking the pollen count for your area.

**The ZYRTEC® Newsletter**

Subscribe to the new newsletter from the makers of ZYRTEC!

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Find all you need to know about the ZYRTEC® switch from

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**ZYRTEC**

Products Allergy Education ZYRTOPIA™

For Adults For Children ZYRTEC® Comparison Chart


**Products**

ZYRTEC® (cetirizine HCl) is an over-the-counter antihistamine for adults and children that helps relieve upper respiratory symptoms caused by allergy triggers such as dust, mold and pet dander, tree pollen, weeds and grasses.

**For Adults**



**For Children**





**ZYRTEC® Comparison Chart** **FAQ** **Select a Product** **Questions? Contact our Consumer Care Center**

**Did You Know?**

The most common types of

Many people with allergies

An allergy is a reaction of your

**Did You Know?**

**Did You Know?**

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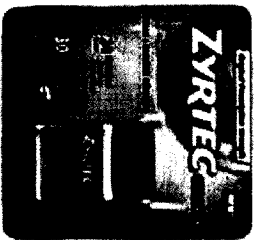
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**For Adults**

The ZYRTEC® For Adults family of products is available in a wide range of formulations to meet the needs of people seeking relief of indoor and outdoor allergy symptoms

**ZYRTEC® 10mg tablets**



**ZYRTEC-D® tablets**



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**Special Offers** Get valuable savings with coupons and other special offers

**Did You Know?** The most common types of allergies are caused by pollen

**The Big Switch** Find all you need to know about how ZYRTEC-D® switches from

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**ZYRTEC** Products Allergy Education ZYRTOPIA™

For Adults For Children ZYRTEC® Comparison Chart

### For Children

ZYRTEC® is approved to treat indoor and outdoor allergy symptoms in children as young as 2 years old. Better yet, ZYRTEC® comes in 2 forms that are great for kids — syrups and chewables.

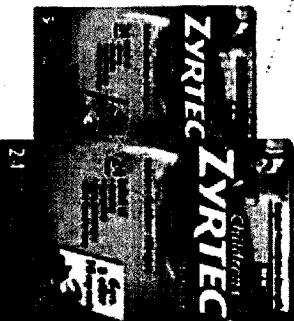
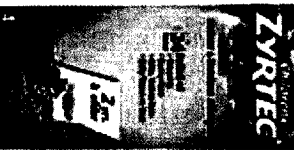


Plus, ZYRTEC® treats itching due to hives (aged 6 years and above).

Children's ZYRTEC® Chewable 5mg  
Ages 2 to 5

Children's ZYRTEC® Chewable 10mg  
Ages 6 to 11

Children's ZYRTEC® Allergy Syrup  
Ages 2 to 11

Children's ZYRTEC® Hives Relief Syrup  
Ages 6 to 11

Use only as directed.

ZYRTEC® Comparison Chart FAQ Select a Product

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Many people with allergies

Allergy Education

Discover a wealth of

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Get valuable savings with

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**ZYRTEC<sup>®</sup>** Products Allergy Education ZYRTOPIA<sup>™</sup>

For Adults For Children ZYRTEC<sup>®</sup> Comparison Chart

## ZYRTEC<sup>®</sup> Comparison Chart

### Adult Products

| ZYRTEC <sup>®</sup>  | ZYRTEC-D <sup>®</sup> |
|----------------------|-----------------------|
| 12 hr                | 12 hr                 |
| Sneezing             | Sneezing              |
| Rhinitis (Nose)      | Rhinitis (Nose)       |
| Itchy Eyes           | Itchy Eyes            |
| Itchy Throat or Nose | Itchy Throat or Nose  |

### Children's Products

Tips for keeping medicine out of reach of children's

| Children's ZYRTEC <sup>®</sup> Allergy Syrup | Children's ZYRTEC <sup>®</sup> Chewable Syng | Children's ZYRTEC <sup>®</sup> Chewable Syng | Children's ZYRTEC <sup>®</sup> Hives Relief Syng |
|--|--|--|--|
| 2 yr   | 6 yr   | 6 yr   | 6 yr   |
| Sneezing                                     | Sneezing                                     | Sneezing                                     | Sneezing   |
| Rhinitis (Nose)                              | Rhinitis (Nose)                              | Rhinitis (Nose)                              | Rhinitis (Nose)                                  |
| Itchy Eyes                                   | Itchy Eyes                                   | Itchy Eyes                                   | Itchy Eyes                                       |
| Itchy Throat or Nose                         | Itchy Throat or Nose                         | Itchy Throat or Nose                         | Itchy Throat or Nose                             |

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Meet the Allergens Tips for Parents Allergy or Cold? Higher Learning


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## Allergy Education

There's a lot more to allergies than meets the eye. The information presented here is designed to help you discover useful ways to reduce the negative impact of allergies on your child's life.


From discovering the allergen source to identifying ways for helping your child cope with the allergen, you can find answers to the basic questions about your child's allergies. You'll even find help in deciding whether or not testing for common allergens is a good idea.

### Meet the Allergens




### Children's ZYRTEC®

For indoor and outdoor respiratory allergies and hives.



### For All Seasons

Discover great health management tools for all the seasons.



### Start Living in ZYRTOPIA™

ZYRTOPIA™ is a unique community created for...

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Products Allergy Education ZYRTOPIA™

Meet the Allergists Tips for Parents Allergy or Cold? Higher Learning

# Higher Learning

## Common Cold or Allergies?

You've got a runny nose, a cough and congestion. So have you caught a cold or is it allergies? Unfortunately, it's often hard to tell – even for doctors. But here's information that may help. Read on to learn more about the causes and treatment of cold and allergy symptoms.

## Allergy Proof Your Environment

Medicines help treat allergy symptoms, since they strike, but there are several steps you can take to prevent allergy symptoms altogether. The following recommendations can help you avoid allergy triggers whether you're at home, outdoors, or out on the town.

## Dust Allergies

**Bystander**  
Life with dust allergies – whether they're yours or a family member's – comes with a load of questions.  
[Previous](#)

## Seasonal Allergies: 4 Routes to Relief

**By Kathleen D'Onofrio - WebMD**  
Whether your fall allergy symptoms are mild or miserable, here's relief.

## Enjoy Allergy-Free Gardening: Experts offer squeeze-free gardening advice

**By Jennifer Warner - WebMD**  
Gardening is one of life's simple pleasures. But for the 35 million Americans who suffer from hay fever or seasonal allergies, having a green thumb means suffering from symptoms like a runny nose and itchy, watery eyes.

## How common is it for someone to be allergic to pine tree pollen?

**By Dr. Anna F. Ellner**  
The type of allergens in the pollen is the main factor that determines whether the pollen is likely to cause hay fever. For example, pine tree pollens  
[Next](#)

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## Children's ZYRTEC®

For indoor and outdoor respiratory allergies and hives.

## Did You Know?

ZYRTEC-D is available without a prescription and can be found

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### Questions?

More about allergies, the ZYRTEC® family of products and the switch from prescription to over-the-counter.



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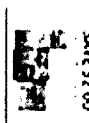
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31



<http://www.zyrtecprofessional.com/zyrtecprofessional/patient-satisfaction.html>

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- 1% discontinued due to somnolence

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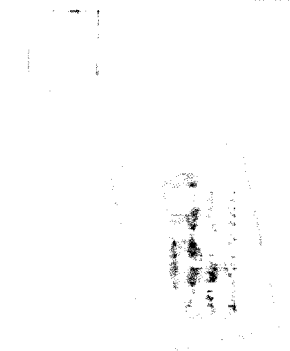
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# **EXHIBIT 25**





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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
**BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**  
McNeil-PPC, Inc.,

Opposer,

Opp. No. 01184978

Walgreen Co.,

Applicant

Rohinish Hooda; Opposer Test. Dep. Ex. 25

McNeil 001055

# **EXHIBIT 26**

# ZYRTEC

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD  
McNeil-PPC, Inc.,  
Applicant,  
v.  
Opposer,  
Op. No. 91184978

Walgreen Co.

Applicant

Robinson Hood: Opposer Test. Dep. Ex. 26

McNeil 000107



# **EXHIBIT 28**

**Zyrtec Approval Press Releases from FDA and McNeil/Johnson & Johnson  
November 2007**

**FDA Press Release**

**FDA Approves Zyrtec for Nonprescription Use in Adults and Children**

**November 21, 2007**

**(Picked up by MedicalNewsToday.com, MedicalUsers.com, RXJournals.com, UCDailyNews.com, News-Medical.net, Clitizen-Times.com, ComplianceHome.com)**

The U.S. Food and Drug Administration has approved tablet, chewable tablet, and syrup formulations of Zyrtec (cetirizine HCl) for nonprescription use. The nonprescription drug is approved for the temporary relief of symptoms due to hay fever or other respiratory allergies (sneezing; runny nose; itchy, watery eyes; itchy throat or nose) in adults and children 2 years of age and older.

The nonprescription Zyrtec products also are approved for the relief of itching due to hives in people 6 years of age and older, including adults.

"The approval of Zyrtec for nonprescription use offers an additional treatment option for children and adults," said Andrea Leonard-Segal, M.D., director, Division of Nonprescription Clinical Evaluation in the FDA's Center for Drug Evaluation and Research. "As for all nonprescription drugs, consumers and caregivers should read and carefully follow all directions on the labeling."

The tablets and chewable tablets are approved for adults and children 6 years of age and older:

- for the treatment of the symptoms of hay fever and other respiratory allergies, and
- to relieve the itching due to hives.

The syrup is approved for:

- adults and children 2 years of age and older for the treatment of the symptoms of hay fever and other respiratory allergies, and
- adults and children 6 years of age and older to relieve the itching due to hives.

The company will market two distinct Zyrtec products for each dosage form. One will provide directions for treating the symptoms of hay fever and other respiratory allergies. The other will contain directions for use to relieve the itching due to hives.

Zyrtec may cause drowsiness in some people at recommended doses. Other common side effects include fatigue and dry mouth.

On November 9, 2007, the FDA announced that it had approved Zyrtec-D, a product which contains cetirizine HCl and pseudoephedrine HCl, for nonprescription use. Sales of the Zyrtec-D are subject to restrictions in the Combat Methamphetamine Epidemic Act. This law places restrictions on the sale of products containing pseudoephedrine, such as limiting the amount that an individual can purchase, and imposing record keeping requirements on the retail establishments that sell the product and that it be located with the pharmacist. Nonprescription Zyrtec-D was approved for the relief of symptoms due to hay fever or other upper respiratory allergies such as runny nose, sneezing, itchy, watery eyes, itching of the nose or throat, and nasal congestion. Zyrtec-D is also approved for reducing swelling of nasal passages, for relief of sinus congestion and pressure, and for restoring freer breathing through the nose due to hay fever and other upper respiratory allergies. Zyrtec-D is not approved for the relief of itching due to hives.

Zyrtec is marketed and distributed by McNeil Consumer Healthcare, based in Fort Washington, Pa.

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

McNeil-PPC, Inc.,

Opposer,

Opp. No. 91184978

v.

Walgreen Co.,

Applicant.

{F0400621.1 }

**McNeil 000109**

Rohinish Hooda; Opposer Test. Dep. Ex. 28

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**US Food and Drug Administration News**

**New and generic drug approvals: Zyrtec (cetirizine HCl) Tablets, McNeil Consumer.**  
**November 19, 2007**

On 19 Nov 2007, the US Food and Drug Administration announced approval of NDA 019835 (OTC labelling) for Zyrtec (cetirizine HCl) Tablets. The product contains cetirizine HCl at 5mg or 10mg, is manufactured by McNeil Consumer (Pfizer Inc), and is prescription only. There are no therapeutic equivalents. The label is not available on the website.

US Food and Drug Administration News

Website: <http://www.fda.gov> [<http://www.fda.gov>]

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**US Food and Drug Administration News**

**New and generic drug approvals: Children's Zyrtec (cetirizine HCl) Allergy Syrup, McNeil Consumer.**  
**November 19, 2007**

On 19 Nov 2007, the US Food and Drug Administration announced approval of NDA 022155 (OTC approval) for Children's Zyrtec (cetirizine HCl) Allergy Syrup. The product contains cetirizine HCl at 1mg/ml, is manufactured by McNeil Consumer (Pfizer Inc), and is prescription only. There are no other OTC drugs with the same active ingredient, strength and dosage form/route. The label is not available on the website.

US Food and Drug Administration News

Website: <http://www.fda.gov> [<http://www.fda.gov>]

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**US Food and Drug Administration News**

**New and generic drug approvals: Children's Zyrtec (cetirizine HCl) Chewable Tablets, McNeil Consumer.**  
**November 19, 2007**

On 19 Nov 2007, the US Food and Drug Administration announced approval of NDA 021621 (OTC approval) for Children's Zyrtec (cetirizine HCl) Chewable Tablets. The product contains cetirizine HCl at 5mg or 10mg, is manufactured by McNeil Consumer (Pfizer Inc), and is prescription only. There are no therapeutic equivalents. The label is not available on the website.

US Food and Drug Administration News

Website: <http://www.fda.gov> [<http://www.fda.gov>]

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**McNeil Consumer Health**

**FDA Approves the Allergy Treatment Zyrtec(R) for Use Without a Prescription; - ZYRTEC(R) and ZYRTEC-D(R) 12 HOUR(R) to be Available in Stores Nationwide January 2008 -**  
**November 16, 2007**

(Picked up by Yahoo! Finance, Yahoo!, FDA-News.com – posted a link to the McNeil Press Release on Yahoo! Finance, Forbes Online, AOL Money News, Houston Chronicle, Philadelphia Business Journal, Pittsburgh Business Times, Dallas Morning News, BizJournals.com, KRON-San

Francisco, WFAA-Dallas/Fort Worth, NBC6.com-Charlotte, NC, earthtimes.org, Drugs.com, eMaxHealth, RBC Dain Raushcer, Breitbart.com, TecTrends, MarketWatch, RCR Wirelesss News, Express-Times, MedicalDevices.org, biospace.com, EMaxHealth.com, www.topix.net)

FT. WASHINGTON, Pa., Nov. 16 /PRNewswire/ -- McNeil Consumer Healthcare, a division of McNEIL-PPC, Inc., announced today that it received approval from the U.S. Food and Drug Administration (FDA) for the allergy treatment ZYRTEC(R) (cetirizine HCl) to be used without a prescription for adults and children. ZYRTEC(R) relieves symptoms due to perennial and seasonal allergic rhinitis, commonly referred to as indoor and outdoor upper respiratory allergies. ZYRTEC(R) also relieves itching due to hives.

The ZYRTEC(R) approval comes one week after the FDA granted the company approval to market ZYRTEC-D(R) 12 HOUR(R) (cetirizine HCl 5 mg/pseudoephedrine HCl 120 mg), which combines ZYRTEC(R) with a decongestant. ZYRTEC-D(R) and ZYRTEC(R), the number one prescribed allergy medication in the U.S.\*, will be available in stores nationwide\*\* in late January 2008 without a prescription in its original-prescription strength.

"For a decade, ZYRTEC(R), as a prescription medication, has been alleviating people's symptoms from perennial and seasonal allergies," said Ashley McEvoy, President, McNeil Consumer Healthcare. "By providing ZYRTEC(R) over-the-counter, we're offering allergy sufferers greater access to a convenient, effective and affordable treatment option that helps alleviate their specific allergy symptoms. In fact, for many allergy sufferers, ZYRTEC(R) will cost up to one third less than prescription ZYRTEC(R)."

ZYRTEC(R) is a once-a-day medication for adults and children that relieves indoor and outdoor allergy symptoms of sneezing, runny nose, and watery eyes for 24 hours. ZYRTEC-D(R) 12 HOUR(R) provides the added benefit of relieving nasal congestion. The FDA approved ZYRTEC(R) in 5mg and 10mg tablets, 5mg and 10mg chewable tablets, and 1mg/mL syrup. ZYRTEC-D(R) 12 HOUR(R) is also approved as an extended release tablet. ZYRTEC(R) also relieves itching due to hives.

"As a pharmacist, I often help my customers choose the appropriate medication to treat their indoor and outdoor allergies," said Anil Datwani, Phar. D., AR-EX Pharmacy, Fords, New Jersey. "The availability of over-the-counter ZYRTEC(R) is good news for the millions of Americans who suffer from indoor and outdoor allergies and are looking for an easier way to obtain an effective allergy treatment. Now allergy sufferers can go to any convenient location where over-the-counter medications are sold to buy ZYRTEC(R), instead of having to visit their allergist or other healthcare provider."

ZYRTEC(R) is an antihistamine that helps block the action of histamine to help relieve symptoms caused by allergy triggers such as dust, mold and pet dander, tree pollen, weeds and grasses. ZYRTEC(R) has proven to be generally well-tolerated. In studies, ZYRTEC(R) began working within one hour and showed continued symptom relief for a full-24 hours from a single dose. The most common side effects included drowsiness, tiredness, and dry mouth. For more information about ZYRTEC(R) visit <http://www.ZyrtecOTC.com> [<http://www.ZyrtecOTC.com>]. Healthcare Professionals can visit <http://www.ZyrtecProfessional.com> [<http://www.ZyrtecProfessional.com>].

"I've suffered from allergies for many years, and have relied on my doctor for a prescription to relieve my worst symptoms," said allergy patient, Jill Attas. "I tried other medicines, but ZYRTEC(R) is the only one that truly helped both my indoor and outdoor allergies. It's great news that ZYRTEC(R) will be available in local stores in January so I can easily get the medicine I need."

#### About Allergies

Millions of Americans suffer from allergies, including indoor and outdoor. Allergies are caused when a person's body overreacts to normally harmless substances. These substances are often referred to as triggers. People can experience allergy triggers anytime throughout the year that can lead to both indoor



and outdoor allergies. Indoor allergies can occur year round and are triggered by substances such as mold, dust, and pet dander. These allergens are often inhaled through the nose and mouth, putting the allergens in contact with the immune cells in the lining of the nose, mouth, throat, and airways of the lungs causing an allergic response. Similarly, outdoor allergies can occur when outdoor allergens such as pollens from grasses, weeds and trees are inhaled through the nose and mouth into the lungs causing an allergic response. Those who suffer from outdoor allergies are often affected by allergies in the spring and fall. Symptoms for both indoor and outdoor allergies can include itchy, watery eyes, itchy nose, or throat, sneezing and runny nose.

#### About McNeil Consumer Healthcare

McNeil Consumer Healthcare Division of McNeil-PPC, Inc., a subsidiary of Johnson & Johnson, markets a broad range of well-known and trusted over-the-counter (OTC) products. McNeil Consumer Healthcare is most widely recognized for the complete line of **TYLENOL(R)** acetaminophen products, the leading pain reliever brand in the adult and pediatric categories. The **TYLENOL(R)** product line consists of hundreds of products across a variety of pain categories including: arthritis pain, pain with accompanying sleeplessness and upper respiratory. Other McNeil Consumer Healthcare brands include **BENADRYL(R)** allergy medicines; **IMODIUM(R)** A-D anti-diarrheal; **MOTRIN(R)** IB; **PediaCare(R)** upper respiratory medicines for children; **ROLAIDS(R)** antacid products; **ST. JOSEPH(R)** Adult Regimen Aspirin; and **SUDAFED(R)** and **SUDAFED PE(R)** nasal decongestants.

This press release contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations of future events. If underlying assumptions prove inaccurate or unknown risks or uncertainties materialize, actual results could vary materially from the Company's expectations and projections. Risks and uncertainties include general industry conditions and competition; economic conditions, such as interest rate and currency exchange rate fluctuations; technological advances and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approvals; domestic and foreign health care reforms and governmental laws and regulations; and trends toward health care cost containment. A further list and description of these risks, uncertainties and other factors can be found in Exhibit 99 of the Johnson & Johnson Annual Report on Form 10-K for the fiscal year ended December 31, 2006. Copies of this Form 10-K, as well as subsequent filings, are available online at <http://www.sec.gov> [<http://www.sec.gov>], <http://www.jnj.com> [<http://www.jnj.com>] or on request from Johnson & Johnson. The Company does not undertake to update any forward-looking statements as a result of new information or future events or developments.

\*Based on IMS total prescriptions from 2004-2007

\*\* In most states

#### CONTACTS:

|                            |                            |
|----------------------------|----------------------------|
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| McNeil Consumer Healthcare | McNeil Consumer Healthcare |
| (856) 912-9965 (Mobile)    | (908) 310-7721 (Mobile)    |

|                    |                    |
|--------------------|--------------------|
| Stan Panasewicz    | Lesley Fishman     |
| Investor Relations | Investor Relations |
| (732) 524-2524     | (732) 524-3922     |

#### SOURCE McNeil Consumer Healthcare

Bonnie Jacobs, mobile, +1-856-912-9965, or Peggy Ballman, mobile, +1-908-310-7721, both of McNeil Consumer Healthcare, or Investor Relations, Stan Panasewicz, +1-732-524-2524, or Lesley Fishman, +1-732-524-3922

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**US Food and Drug Administration News**

**New and generic drug approvals: Zyrtec-D (cetirizine HCl/pseudoephedrine HCl) Tablets, Pfizer Inc.**

**November 14, 2007**

On 14 Nov 2007, the US Food and Drug Administration announced approval of NDA 021150 (OTC labelling revision) for Zyrtec-D (cetirizine HCl/pseudoephedrine HCl) Tablets. The product contains cetirizine HCl at 5mg and pseudoephedrine HCl at 120mg, is manufactured by Pfizer Inc, and is prescription only. There are no therapeutic equivalents. The label is not available on the website.

US Food and Drug Administration News

Website: <http://www.fda.gov> [<http://www.fda.gov>]

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**US Food and Drug Administration News**

**FDA Approves Nonprescription Zyrtec-D for Allergies.**

**November 9, 2007**

On 9 Nov 2007, the Food and Drug Administration (FDA) announced the approval of Zyrtec-D (cetirizine HCl 5 mg and pseudoephedrine HCl 120 mg), an allergy drug, for nonprescription use in adults and children 12 years of age and older. This drug combines an antihistamine with a nasal decongestant. Available as a prescription drug since 2001, Zyrtec-D is now approved as a nonprescription drug for the relief of symptoms due to hay fever or other upper respiratory allergies such as, runny nose, sneezing, itchy, watery eyes, itching of the nose or throat, and nasal congestion. Zyrtec-D is also for reducing swelling of nasal passages, for relief of sinus congestion and pressure, and for restoring freer breathing through the nose. Hay fever and other allergies are the sixth leading cause of chronic disease, with about 50 M sufferers each year in the US, according to the National Institute of Allergy and Infectious Diseases.

Zyrtec-D's common side effects include drowsiness, fatigue, and dry mouth. Sales of the drug are subject to restrictions in the Combat Methamphetamine Epidemic Act. This law places restrictions on the sale of products containing pseudoephedrine, such as limiting the amount that an individual can purchase, and imposing record keeping requirements on the retail establishments that sell the product. Zyrtec-D is distributed by McNeil Consumer Healthcare, Fort Washington, PA.

US Food and Drug Administration News

Website: <http://www.fda.gov> [<http://www.fda.gov>]

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**U.S. Food & Drug Administration**

**FDA News Release: FDA Approves Nonprescription Zyrtec-D for Allergies, Colds**

**November 9, 2007**

**FDA NEWS RELEASE**

**FDA Approves Nonprescription Zyrtec-D for Allergies, Colds**

The Food and Drug Administration (FDA) has approved Zyrtec-D (cetirizine HCl 5 mg and pseudoephedrine HCl 120 mg), an allergy drug, for nonprescription use in adults and children 12 years of age and older. This drug combines an antihistamine with a nasal decongestant.

Available as a prescription drug since 2001, Zyrtec-D is now approved as a nonprescription drug for the relief of symptoms due to hay fever or other upper respiratory allergies such as, runny nose, sneezing, itchy, watery eyes, itching of the nose or throat, and nasal congestion. Zyrtec-D is also for reducing

swelling of nasal passages, for relief of sinus congestion and pressure, and for restoring freer breathing through the nose.

Hay fever and other allergies are the sixth leading cause of chronic disease, with about 50 million sufferers each year in the United States, according to the National Institute of Allergy and Infectious Diseases.

"The approval of this widely-used drug for nonprescription use will enable many people to have access to another effective treatment for their allergy symptoms," said Andrea Leonard-Segal, M.D., director, Division of Nonprescription Clinical Evaluation in the FDA's Center for Drug Evaluation and Research. "This approval reflects FDA's commitment to bringing prescription drugs to the over-the-counter market when they can be safely used without a prescription.

Zyrtec-D's common side effects include drowsiness, fatigue, and dry mouth. Sales of the drug are subject to restrictions in the Combat Methamphetamine Epidemic Act. This law places restrictions on the sale of products containing pseudoephedrine, such as limiting the amount that an individual can purchase, and imposing record keeping requirements on the retail establishments that sell the product. Zyrtec-D is distributed by McNeil Consumer Healthcare, Fort Washington, Pa.

For more information:

Allergies and Hay Fever Fact Sheet [www.fda.gov/womens/getthefacts/allergies.html](http://www.fda.gov/womens/getthefacts/allergies.html)  
[<http://www.fda.gov/womens/getthefacts/allergies.html>]

FDA Consumer Magazine: 'Itching for Some Allergy Relief?' [www.fda.gov/fdac/features/2002/302itch.html](http://www.fda.gov/fdac/features/2002/302itch.html)  
[<http://www.fda.gov/fdac/features/2002/302itch.html>]

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For Immediate Release: Nov. 9, 2007 Media Inquiries: Susan Cruzan, 301-827-6242,  
[susan.cruzan@fda.hhs.gov](mailto:susan.cruzan@fda.hhs.gov) Consumer Inquiries: 888-INFO-FDA

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**U.S. Food & Drug Administration Documents**  
**FDA News Release: FDA Approves Nonprescription Zyrtec-D for Allergies**  
**November 9, 2007**

**FDA NEWS RELEASE**

**FDA Approves Nonprescription Zyrtec-D for Allergies**

The Food and Drug Administration (FDA) has approved Zyrtec-D (cetirizine HCl 5 mg and pseudoephedrine HCl 120 mg), an allergy drug, for nonprescription use in adults and children 12 years of age and older. This drug combines an antihistamine with a nasal decongestant.

Available as a prescription drug since 2001, Zyrtec-D is now approved as a nonprescription drug for the relief of symptoms due to hay fever or other upper respiratory allergies such as, runny nose, sneezing, itchy, watery eyes, itching of the nose or throat, and nasal congestion. Zyrtec-D is also for reducing swelling of nasal passages, for relief of sinus congestion and pressure, and for restoring freer breathing through the nose.

Hay fever and other allergies are the sixth leading cause of chronic disease, with about 50 million sufferers each year in the United States, according to the National Institute of Allergy and Infectious Diseases.

"The approval of this widely-used drug for nonprescription use will enable many people to have access to another effective treatment for their allergy symptoms," said Andrea Leonard-Segal, M.D., director, Division of Nonprescription Clinical Evaluation in the FDA's Center for Drug Evaluation and Research. "This approval reflects FDA's commitment to bringing prescription drugs to the over-the-counter market when they can be safely used without a prescription.

Zyrtec-D's common side effects include drowsiness, fatigue, and dry mouth. Sales of the drug are subject to restrictions in the Combat Methamphetamine Epidemic Act. This law places restrictions on the sale of products containing pseudoephedrine, such as limiting the amount that an individual can purchase, and imposing record keeping requirements on the retail establishments that sell the product. Zyrtec-D is distributed by McNeil Consumer Healthcare, Fort Washington, Pa.

For more information:

Allergies and Hay Fever Fact Sheet [www.fda.gov/womens/getthefacts/allergies.html](http://www.fda.gov/womens/getthefacts/allergies.html)  
[<http://www.fda.gov/womens/getthefacts/allergies.html>]

FDA Consumer Magazine: 'Itching for Some Allergy Relief?' [www.fda.gov/fdac/features/2002/302itch.html](http://www.fda.gov/fdac/features/2002/302itch.html)  
[<http://www.fda.gov/fdac/features/2002/302itch.html>]

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For Immediate Release: Nov. 9, 2007 Media Inquiries: Susan Cruzan, 301-827-6242,  
[susan.cruzan@fda.hhs.gov](mailto:susan.cruzan@fda.hhs.gov) Consumer Inquiries: 888-INFO-FDA

###

# **EXHIBIT 29**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

McNeil-PPC, Inc.

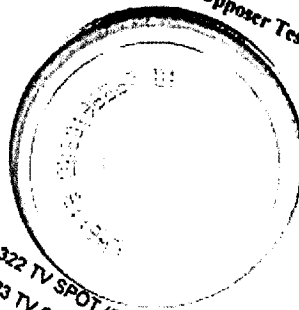
Walgreen Co.

Opposer

Applicant

Opp. No. 91184078

Rohitish Hooda; Opposer Test. Dep. Ex. 29



1. McNeil 001322 TV SPOT (F0418489) WMV
2. McNeil 001323 TV SPOT (F0418392) WMV
3. McNeil 001324 TV SPOT (F0418391) MPG
4. McNeil 001558 COMMERCIAL (F0475883) MPEG
5. McNeil 001559 RADIO AD (F0475885) MP3
6. McNeil 001560 GRAPHICS (F0475893) MOV
7. McNeil 001561 GRAPHICS (F0475898) MOV
8. McNeil 001562 GRAPHICS (F0475898) MOV
9. McNeil 001563 COMMERCIAL (F0475899) MPEG

# **EXHIBIT 30**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
**BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**  
McNeil-PPC, Inc.,

Opposer.

Opp. No. 9118497X

Walgreen Co.

Applicant.

**Rohinish Hooda; Opposer Test. Dep. Ex. 30**

1. MCNEIL 005157 COMMERCIAL (Grass Stains)(F0687454).MPG
2. MCNEIL 005158 COMMERCIAL (Show and Tell)(F0687453).MPG
3. MCNEIL 005159 COMMERCIAL (Nine Iron)(F0687451).MPG
4. MCNEIL 005160 COMMERCIAL (Cat)(F0687452) MOV



# **EXHIBIT 31**

# MISSING

## 2 HOURS

LAST SEEN: WHILE WAITING  
FOR CLARITIN® TO START  
WORKING. IF FOUND PLEASE  
CALL: 1-800-4-ZYR-TEC.

1-800-4-ZYR-TEC

1-800-4-ZYR-TEC

1-800-4-ZYR-TEC

1-800-4-ZYR-TEC

1-800-4-ZYR-TEC

1-800-4-ZYR-TEC

1-800-4-ZYR-TEC

1-800-4-ZYR-TEC

1-800-4-ZYR-TEC

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

McNeil-PPC, Inc.,

Opposer:

Opp. No. 91184978

v.

Walgreen Co.,

Applicant

Rohinish Hooda; Opposer Test. Dep. Ex. 31

# **EXHIBIT 32**

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

**Описание,**

Opp. no 91185V18

Walgreen (Co.

## Applications

Rohinish Hlooda: Opposer Test. Dep. Ex. 32

**McNeil 001552**

### What can I do to cope with my allergies?

॥ श्रीगणेशाय नमः ॥

- Keep windows closed and use air conditioning
  - Stay indoors during peak pollen hours: usually 5 am to 10 am
  - Change your clothes after you've been outside
  - Don't hang laundry outside to dry
- Avoid moving the lawn or raking leaves

de pueri huiusmodi officio:

- **Delip for hardwood, tile, or linoleum floors.** Choose area rugs over wall-to-wall carpeting when possible
- **Keep driveways, patios/decks, and box sumpings in plastic or special allergen-proof fabric covers**
- **Wash bedding in hot water (130°F)**
- **Vacuum weekly using a HEPA filter or a double bag**
- **Avoid pets with fur or feathers**
- **Use a cleaning solution containing 5% bleach and a small amount of detergent to eliminate indoor molds**

**There's also something  
you can take for your  
allergy symptoms...**

**Powerful relief—  
it's what's in store**

• The same strength as prescription ZYRTEC.

**—now available over the counter**

- 24-hour relief of indoor and outdoor allergy symptoms

- Can cost up to 1/3 less per month than the co-pay for prescription antidepressants\*

- **Wide range of formulations to meet your needs**

$\mathcal{H}^1(\mathbb{R}^n) \cap \mathcal{H}^1(\mathbb{R}^n) = \mathcal{H}^1(\mathbb{R}^n)$  and  $\mathcal{H}^1(\mathbb{R}^n) \cap \mathcal{H}^1(\mathbb{R}^n) = \mathcal{H}^1(\mathbb{R}^n)$ .

**Visit [Zyrtec.com](http://Zyrtec.com) for product information  
and helpful allergy management tools**

**Visit [myhealthhyscans.com](http://myhealthhyscans.com) for tools to manage your health and coupons for leading over-the-counter products**

**LIFE'S NO PLACE  
FOR ALLERGIES™**

**ZYRTEC**

**Original prescription strength—  
Now available without a prescription**

**ZYTEC**

If you sneeze a lot or have a runny or stuffy nose that never seems to go away, there's a good chance you have upper respiratory allergies. They affect more than 50 million people in the United States alone.

### What are some common allergy symptoms?

People with allergies often experience sneezing, runny nose, stuffy nose (congestion), or itchy watery eyes.

Isn't there more than one kind of allergy—what's the difference?

If your symptoms are only at certain times of the year, chances are it's seasonal allergic rhinitis or outdoor allergies. Common triggers (substances that cause an allergic response) include tree, grass, and weed pollens or mold.

If your symptoms are year-round it's probably perennial allergic rhinitis, or indoor allergies. Common triggers include animal dander /furry skin flakes or saliva from animals, indoor mold and dust mites.

**ZYRTEC**

**TY ZYRTEC**

100% TYLENOL FOR ALLERGY

A Tylenol Company, Division of McNeil-Norden

# **EXHIBIT 33**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD  
McNeil PPC, Inc.,

Applicant

Opposer:

Opp. No. 91134076

Walgreen Co.

Applicant

Robinson Hooda; Opposer Test. Dep. Ex. 33

Hey, Bentonville.  
Barely a sneeze. Hardly a snuffle.  
No longer a prescription.

**ZYRTEC**

cetirizine HCl antihistamine

The #1 prescribed\* allergy medicine—available without a prescription January 23rd.

\*U.S. Data Link Prescription 2004-2011  
Use only as directed

 CLEAR CHANNEL

WHISTLER

# **EXHIBIT 34**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

McNeil-PPC, Inc.,

Opposer,

Opp. No. 91134978

v

Walgreen Co.,

Applicant

Robinish Hooda; Opposer Test. Dep. Ex. 34



**Now these dust-pollen-feathers  
can enjoy the wild indoors.**

**Does your  
family's allergy  
medicine treat  
both indoor and  
outdoor allergies?**

If not, ask your  
doctor about  
switching to Zyrtec.

To learn more, visit  
[www.zyrtec.com](http://www.zyrtec.com) or  
call 1-800-ZYRTEC-2

Allergies tend to run in families.  
Unlike some allergy medicines,  
prescription Zyrtec (cetirizine HCl)  
is approved to treat all your family's  
indoor and outdoor allergies.  
Like grass. Ragweed. Dust. Mold.  
And even pet dander.

In fact, no other antihistamine is  
approved to treat more allergies  
than Zyrtec.

Ask your doctor for free samples  
of Zyrtec pills or syrup.

In adults, the most common side

effect was feeling drowsy.  
Some of the others were feeling  
tired and dry mouth. In children,  
2 to 11 years old, some of the  
side effects were headache and  
stomach pain. Others were feeling  
drowsy and sore throat. Most were  
mild to moderate.

**ZYRTEC<sup>®</sup>**  
cetirizine HCl

Lots of allergies. Just one Zyrtec.<sup>™</sup>

**(Zur'-tek)**

Please see important information about Zyrtec 5-mg and 10-mg tablets and 1-mg/mL syrup on the next page.

**McNeil 001554**



# **EXHIBIT 35**



**Now this grass-oak-pet dander  
can keep her pet dander.**

**Does your child's  
allergy medicine  
treat both indoor  
and outdoor  
allergies?**

**If not, ask your  
doctor about  
switching to Zyrtec.**

**To learn more, visit  
[www.zyrtec.com](http://www.zyrtec.com) or  
call 1-800-3-ZYRTEC**

Unlike some allergy medicines, prescription Zyrtec (cetirizine HCl) is approved to treat all indoor and outdoor allergies in children 2 years and older. Allergies like grass. Ragweed. Dust. Mold. And even pet dander.

And now, Zyrtec is the first and only antihistamine approved to treat indoor allergies in infants as young as 6 months.

Ask your doctor for free samples of Zyrtec pills or syrup.

In children, 2 to 11 years old, some of the side effects were

headache and stomach pain. Others were feeling drowsy and sore throat. Most were mild to moderate.

In infants, 6 to 23 months old, side effects were like those of a sugar pill. Some were being cranky, fussy and not able to sleep. Others were feeling tired and looking uncomfortable.

**ZYRTEC<sup>®</sup>**  
cetirizine HCl

**Lots of allergies. Just one Zyrtec.<sup>™</sup>**  
**(Zur'-tek)**

# **EXHIBIT 36**



**Now this pollen-dust-dog dander  
can keep his new dance partner.**

**Does your allergy  
medicine treat  
both indoor and  
outdoor allergies?**

If not, ask your  
doctor about  
switching to Zyrtec.

To learn more, visit  
[www.zyrtec.com](http://www.zyrtec.com) or  
call 1-800-ZYRTEC-2.

Unlike some allergy medicines, prescription Zyrtec<sup>®</sup>  
is approved to treat all your indoor and outdoor allergies.  
Like grass. Ragweed. Dust. Mold. And even pet dander.

In fact, no other antihistamine is approved to treat more  
allergies than Zyrtec. And if you're currently taking Zyrtec,  
remember to ask your doctor for a refill on your prescription.

The most common  
side effect was feeling  
drowsy. Some of the  
others were feeling tired  
and dry mouth. Most  
were mild to moderate.

**ZYRTEC<sup>®</sup>**  
cetirizine HCl

Lots of allergies. Just one Zyrtec.<sup>®</sup>

**(Zur'-tek)**

Please see important information about Zyrtec 5-mg and 10-mg tablets and 1-mg/mL syrup on the next page.

# **EXHIBIT 37**



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD  
McNeil-PPC, Inc.,  
v. Walgreen Co.  
Opposer.  
Applicant.  
Opp. No. 91184978  
Rohinish Hooda; Opposer Test. Dep. Ex. 37

**Now this dust-pollen-pet dander  
can ride a bicycle built for three.**

**Does your allergy  
medicine treat  
both indoor and  
outdoor allergies?**

If not, ask your  
doctor about  
switching to Zyrtec.

To learn more, visit  
[www.zyrtec.com](http://www.zyrtec.com) or  
call 1-800-ZYRTEC-2.

Unlike some allergy medicines, prescription Zyrtec®  
is approved to treat all your indoor and outdoor allergies.  
Like grass. Ragweed. Dust. Mold. And even pet dander.

In fact, no other antihistamine is approved to treat more  
allergies than Zyrtec. And if you're currently taking Zyrtec,  
remember to ask your doctor for a refill on your prescription.

The most common  
side effect was feeling  
drowsy. Some of the  
others were feeling tired  
and dry mouth. Most  
were mild to moderate.

**ZYRTEC**  
cetirizine HCl

Lots of allergies. Just one Zyrtec.®  
**(Zur'-tek)**

Please see important information about Zyrtec 5-mg and 10-mg tablets and 1 mg/mL syrup on the next page.

**McNeil 001557**

# **EXHIBIT 38**

# Leave allergies in the dust.



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

McNeil-PPC, Inc.,

Opposer,

Opp. No. 91184978

v.

Walgreen Co.,

Applicant.

Rohinish Hooda; Opposer Test. Dep. Ex. 38

Use only as directed.

Introducing allergy relief at liquid speed.\*  
That's the fast, powerful relief of 24-hour ZYRTEC®, now in a liquid gel.\*\*

**New ZYRTEC® Liquid Gels. love air™**

\*Starts working at hour 1. \*\*Relieves sneezing, runny nose, itchy, watery eyes, and itchy nose or throat. ©McNEIL-PPC, Inc. 2010

MCNEIL 005114



# **EXHIBIT 39**

# Liquid Gels Headline: Leave

Leave allergies  
in the dust.

Introducing



Allergy relief  
at liquid speed\*

That's the fast, powerful  
relief of ZYRTEC<sup>®</sup>  
now in a Liquid Gel.



Use only as directed.

\*Starts working at hour 1.  
Relieves sneezing, itchy nose, itchy watery eyes & itching of the nose or throat.

NEW

ZYRTEC<sup>®</sup>  
Liquid Gels



love air



Use only as directed.

\*Starts working at hour 1.  
Relieves sneezing, itchy nose, itchy watery eyes & itching of the nose or throat.

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD  
McNeil-PPC, Inc.,

v. Opposer,

Opp. No. 91184978

Walgreen Co.

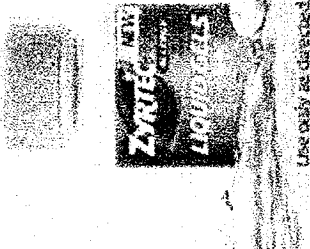
Applicant

Robinish Hooda; Opposer Test. Dep. Ex. 39

MCNEIL 005115

# Liquid Gels Headline: Nip

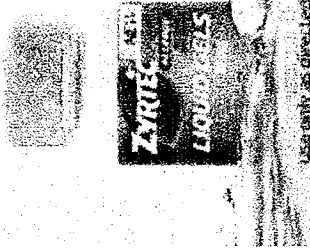
Nip spring allergies  
in the bud.



Allergy relief  
at liquid speed.  
That's the fast, powerful  
relief of ZYRTEC,  
now in a Liquid Gel.

Use only as directed.

Starts working at hour 1.  
Relieves sneezing, itchy watery eyes & itching of the nose or throat.



NEW  
ZYRTEC<sup>®</sup>  
Liquid Gels  
SAVE 10%  
ZYRTEC PRODUCT  
love air

Use only as directed.

Starts working at hour 1.  
Relieves sneezing, itchy watery eyes & itching of the nose or throat.

# Liquid Gels Headline: Pull

Pull a fast one on  
allergies.

Introducing **Zyrtec**  
Liquid Gels

Allergy relief  
at liquid speed.\*  
That's the fast, powerful  
relief of Zyrtec,  
now in a Liquid Gel.

Use only as directed.

\*Starts working at hour 1.  
Relieves sneezing, itchy eyes & itching of the nose or throat.



Use only as directed.

\*Starts working at hour 1.  
Relieves sneezing, itchy eyes & itching of the nose or throat.

NEW

**Zyrtec**  
Liquid Gels

SAVES 10¢  
THREE TIMES

love air

\*Starts working at hour 1.  
Relieves sneezing, itchy eyes & itching of the nose or throat.

# Liquid Gels Quiz: Allergies

**Quick:**  
Which is worse  
for allergies?  
Flower pollen  
or Tree pollen?

Introducing **ZYRTEC**  
Liquid Gels



**Quick:**  
Which is worse  
for allergies?  
**Surprise,**  
it's tree pollen.

Introducing **ZYRTEC**  
Liquid Gels



**Allergy relief  
at liquid speed\***

That's the fast, powerful  
relief of ZYRTEC,  
now in a Liquid Gel.

**ZYRTEC**  
Liquid Gels

Use only as directed.

\*Starts working at hour 1.  
Relieves sneezing, runny nose, itchy watery eyes & itching of the nose or throat.



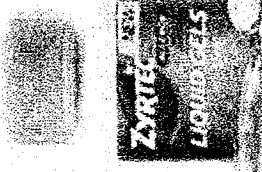
**NEW**  
**ZYRTEC**  
Liquid Gels

**SAVE \$10 OFF**  
ZYRTEC products

**love air**

Use only as directed.


\*Starts working at hour 1.  
Relieves sneezing, runny nose, itchy watery eyes & itching of the nose or throat.



# Liquid Gels Quiz: Pollen

**Quick:**  
Which is worse  
for allergies?  
Flower pollen  
or Tree pollen?

Introducing **ZYRTEC**  
Liquid Gels



Use only as directed.

Starts working at hour 1.  
Relief starts in 15 minutes. Many fast-acting allergy medicines take hours to start working.

**Quick:**  
Which is worse  
for allergies?  
**Surprise,**  
it's tree pollen.

Introducing **ZYRTEC**  
Liquid Gels



Use only as directed.

Starts working at hour 1.  
Relief starts in 15 minutes. Many fast-acting allergy medicines take hours to start working.

**Allergy relief  
at liquid speed\***  
That's the fast, powerful  
relief of ZYRTEC,  
now in a Liquid Gel.

**NEW**  
**ZYRTEC**  
Liquid Gels

**SAVE 10%  
on ZYRTEC products**

**love air**

Use only as directed.

Starts working at hour 1.  
Relief starts in 15 minutes. Many fast-acting allergy medicines take hours to start working.

**NEW**  
**ZYRTEC**  
Liquid Gels

**SAVE 10%  
on ZYRTEC products**

**love air**

Use only as directed.

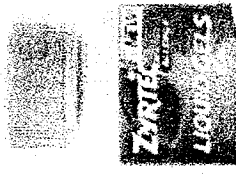
Starts working at hour 1.  
Relief starts in 15 minutes. Many fast-acting allergy medicines take hours to start working.

# Liquid Gels Triggers: Cat

Cat got your tongue,  
nose and eyes?



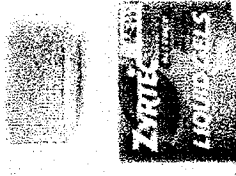
**Allergy relief  
at liquid speed\***  
That's the fast, powerful  
relief of ZYRTEC,  
now in a Liquid Gel.



Use only as directed.

\*Starts working at hour 1.  
Relieves sneezing, itchy nose, itchy, watery eyes & itching of the nose or throat.

**NEW  
ZYRTEC®  
Liquid Gels**  
SOLUTION FOR  
ZYRTEC products  
**love air**



Use only as directed.

\*Starts working at hour 1.  
Relieves sneezing, itchy nose, itchy, watery eyes & itching of the nose or throat.

# Liquid Gels Triggers: Teddy



Stand up to the  
Teddy Bear Gang.

Introducing

**Zyrtec**  
Liquid Gels

Allergy relief  
at liquid speed\*

That's the fast, powerful  
relief of Zyrtec,  
now in a Liquid Gel.



Use only as directed.

\*Starts working at hour 1.

Follows through, every time, with watery eyes & itchy nose or throat.



Use only as directed.

\*Starts working at hour 1.

Follows through, every time, with watery eyes & itchy nose or throat.

NEW

**ZYRTEC®**  
Liquid Gels

SAVE 10%  
ZYRTEC products

love air™



# D Headline: Relief

Ahh, the smell of  
allergy relief in  
the morning.

Powerful Relief **Zyrtec**



The proven  
allergy relief of  
ZYRTEC plus  
a powerful  
decongestant.

Reduces sneezing, stuffy nose, itchy, watery eyes,  
runny nose or throat, nasal congestion, and sinus pressure for 12 hours.



Breathe Freer<sup>®</sup>  
Find it behind the  
pharmacy counter.  
No prescription needed.<sup>\*\*</sup>

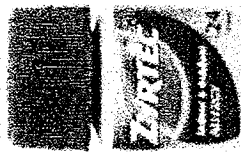


love air<sup>®</sup>

\*Temporarily restores free nasal breathing. \*\*In most states.

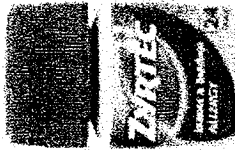
# Advanced Targeting: RX Always

You don't always  
need a prescription  
for prescription  
strength relief.



Use only as directed.

ZYRTEC<sup>®</sup>  
may cost up  
to 40% less  
than the average copay  
for an oral brand name  
prescription antihistamine.\*



Use only as directed.

Proven allergy  
relief without  
a prescription.

ZYRTEC<sup>®</sup> is a prescription strength  
antihistamine and is available only to  
patients who have been prescribed  
ZYRTEC<sup>®</sup> by a doctor.



love air<sup>®</sup>



ROLLOVER FOR MORE DETAILS

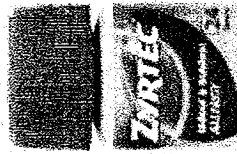
ROLLOVER FOR MORE DETAILS

# Advanced Targeting: RX Nobody

Nobody is allergic  
to saving money.

Save on Allergy Relief

ZYRTEC



Use only as directed.

ZYRTEC

may cost up  
to 40% less  
than the average copay  
for an oral brand-name  
prescription antihistamine.



Use only as directed.

Proven allergy  
relief without  
a prescription.

If you are currently taking a  
prescription antihistamine, talk to  
your doctor before switching to an  
OTC product.

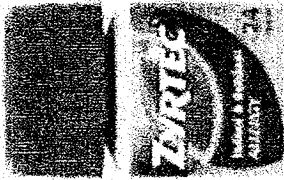


love the air

ROLLOVER FOR MORE DETAILS

ROLLOVER FOR MORE DETAILS

# Advanced Targeting: RX 40



**ZYRTEC®**  
may cost up  
to 40% less  
than the average copay  
for an oral brand name  
prescription antihistamine.\*

**SAVE \$**

Use only as directed.

**ROLLOVER FOR MORE DETAILS**

# **EXHIBIT 40**

# Leave allergies in the dust.



IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

McNeil-PPC, Inc.,

Opposer.

Opp. No. 91184978

v.

Walgreen Co.,

Applicant.

Rohinish Hooda; Opposer Test. Dep. Ex. 40

Use only as directed.

Introducing allergy relief at liquid speed.\* That's the powerful relief of ZYRTEC®, the fastest 24-hour allergy medicine, now in a liquid gel.\*\*

New ZYRTEC® Liquid Gels. love  air™

\*Starts working at hour one. \*\*Among name brand OTC products. Relieves sneezing, runny nose, itchy, watery eyes, and itchy nose or throat. ©McNEIL-PPC, Inc. 2010.

MCNEIL 005126

# **EXHIBIT 41**

Get back to running your  
fingers through someone  
else's hair.

Breathe free. Zyrtec-D helps you  
get back to the things you love with the  
proven allergy relief of Zyrtec, plus a  
powerful decongestant.



love

air™

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

McNeil-PPC, Inc.,

Opposer,

Opp. No. 91184978

v.

Walgreen Co.,

Applicant

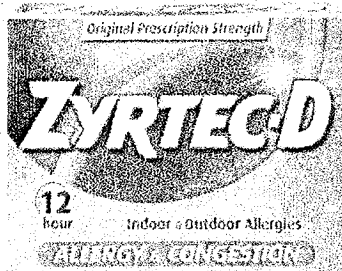
Rohinish Hooda; Opposer Test. Dep. Ex. 41

MCNEIL 005127



Get back to running your  
fingers through someone  
else's hair.

Breathe freer. Zyrtec-D helps you  
get back to the things you love with the  
proven allergy relief of Zyrtec, plus a  
powerful decongestant.

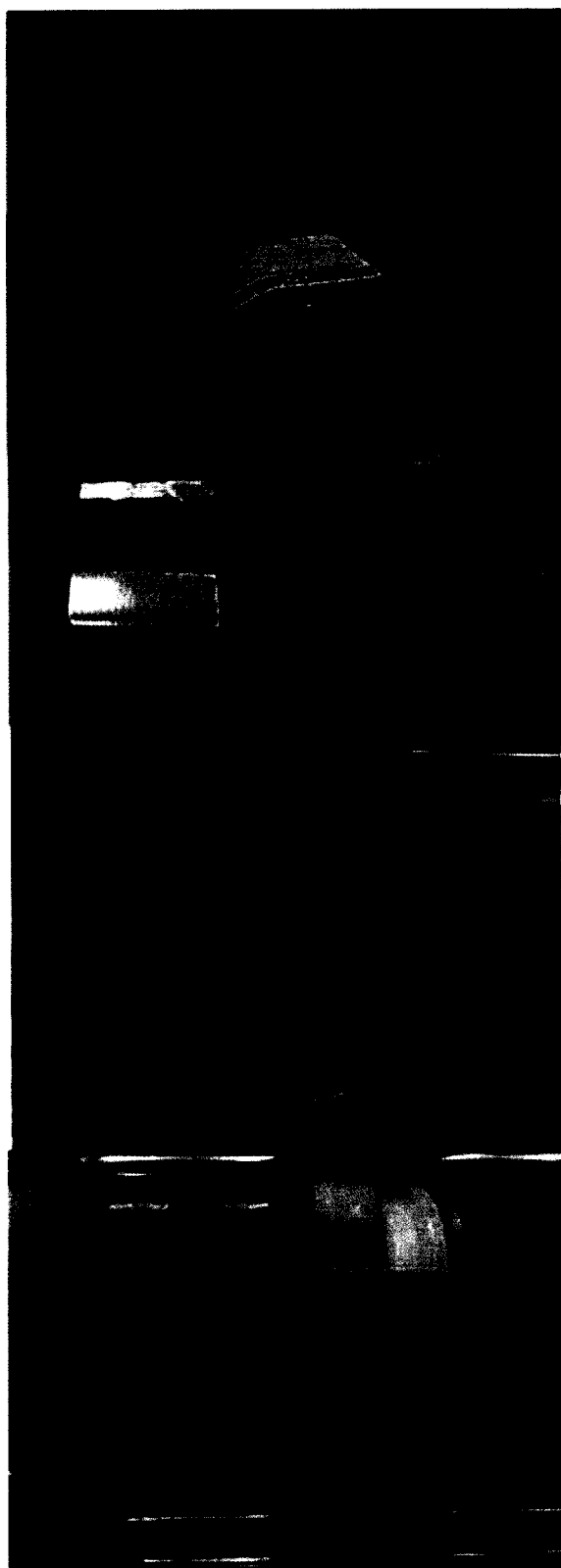


love

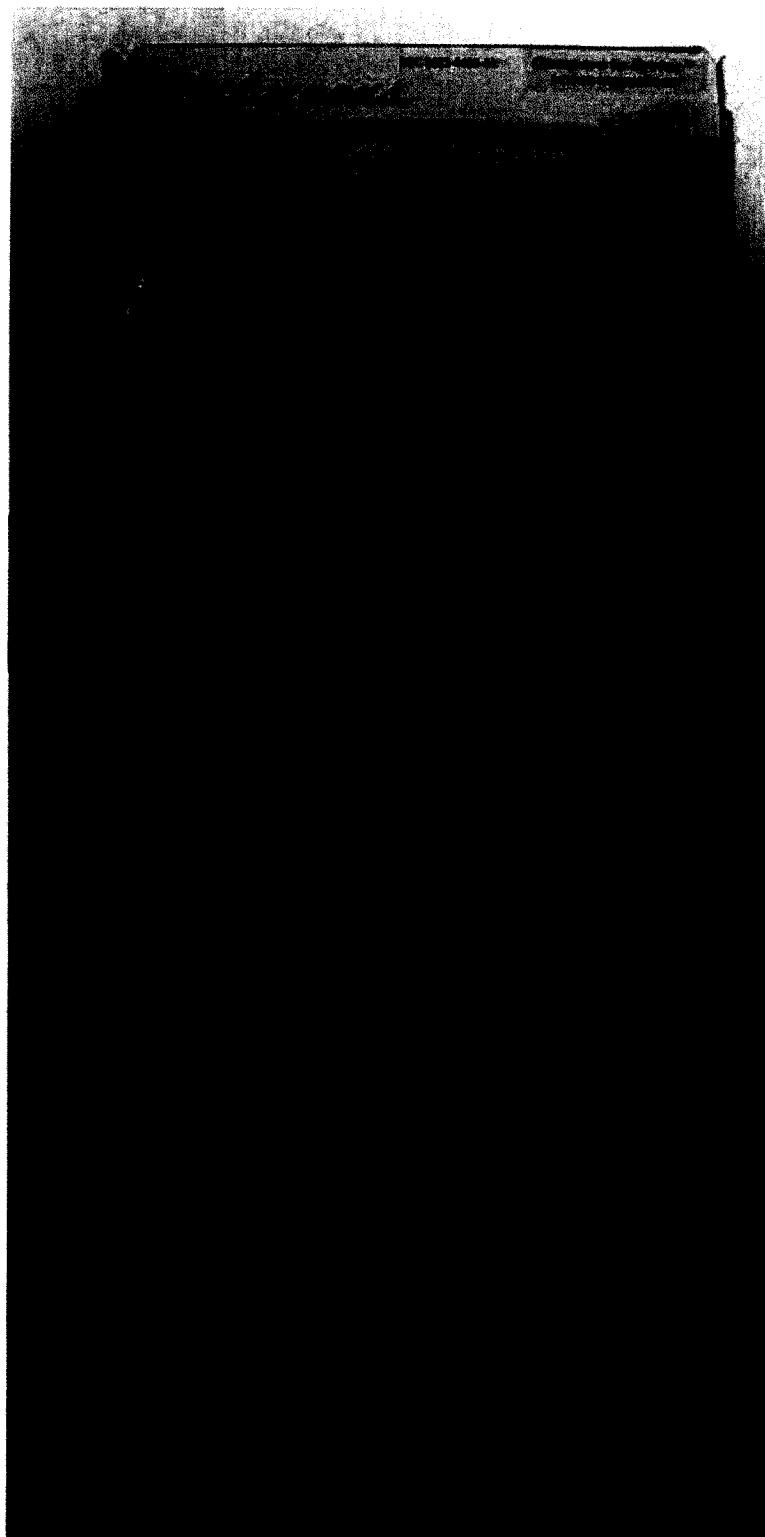
air™

MCNEIL 005128

# **EXHIBIT 42**



# **EXHIBIT 43**



# **EXHIBIT 44**



# **EXHIBIT 63**



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## J&J's Zyrtec: A Marketing 50 Case Study

By [Jack Neff](#)

Published: November 17, 2009



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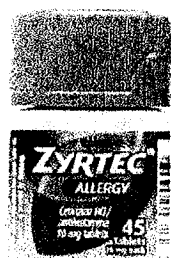


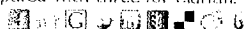
Photo: Tony Pettinato

When Johnson & Johnson acquired Pfizer's consumer-health-care business, the buried treasure was allergy drug Zyrtec. At the time, in 2006, it was a top-selling prescription drug in the U.S.

Showcasing that treasure has been Robinish Hooda, VP-marketing for J&J's over-the-counter upper-respiratory business. Zyrtec is on track to hit \$300 million in its first year of OTC sales despite going head-to-head with private-label.

"It's been a phenomenal year," Mr. Hooda says. By the second quarter, Zyrtec had a 27.5% share of the U.S. OTC allergy business. The sales are great, he says, but "the market response from consumers, customers and competitors is even more satisfying."

J&J arranged for 40 of the Fortune 500 employers to send direct-mail ads to Zyrtec prescription users. But the key move may have been mining clinical data to come up with a powerful new claim in TV and print ads from JWT, New York -- that Zyrtec starts working in only an hour, compared with three for Claritin.



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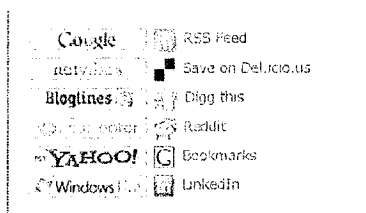
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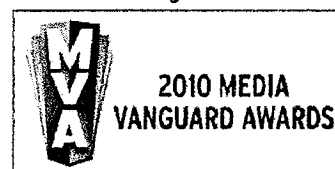
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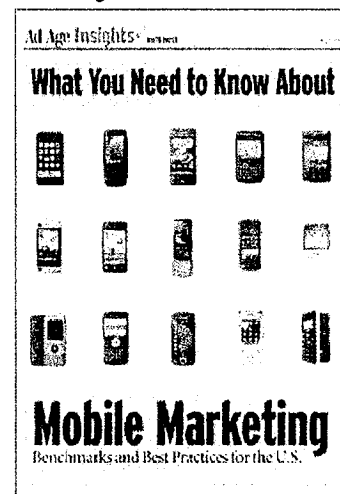


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# **EXHIBIT 64**

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

McNeil-PPC, Inc.,

Opposer,

Opp. No. 91184978

v.

Walgreen Co.,

Applicant.

Rohinish Hooda; Opposer Test. Dep. Ex. 64

**BRANDWEEK****G2, Zyrtec Top New Product Sales in '08**

March 23, 2009

- Elaine Wong and Kenneth Hein



Consumers crave brands with health and affordability claims, according to Information Resources Inc.'s annual New Product Pacesetters report. PepsiCo's G2 and over-the-counter allergy relief medication Zyrtec topped the list of most successful product introductions last year, per the research firm, which is releasing its findings at the CPG Summit in Las Vegas this week. The report encompasses both food and nonfood brands that have completed one full year of sales, have gained at least 30 percent national distribution and generated at least \$7.5 million in sales in the food, drug and mass channels. Here's a look at the top winners:

**G2 Outruns the Competition**

Early last year, curious ads showed Derek Jeter walking the city streets while baseball stadium grass magically grew under his feet. It caused people to ask: "What is G2?" Well, \$159 million in sales later, it seems plenty of consumers figured it out pretty quickly.

G2, the low-calorie version of Gatorade, proved to be (forgive us) a home run for the brand. Why? Experts said it was all about the timing. "It tapped into the burgeoning awareness among consumers of the high-calorie count even among healthy-positioned beverages like Gatorade and Vitaminwater—PepsiCo itself having stoked that awareness with Gatorade sibling Propel's attacks on Vitaminwater," said Gerry Khermouch, editor of Beverage Business Insights. (Vitaminwater, last week,

launched its own 10-calorie per serving line extension.)

Of course, it doesn't hurt to be part of the Gatorade family, said John Sicher, editor, Beverage Digest. "Over the years, Gatorade has done very well with line extensions like Fierce and Frost. [It's one of the few brands that has.] . . . Beyond Coke and Pepsi, there is a small number of power brands in the U.S. beverage system and Gatorade is one of them. You can see how difficult a time the others have had, including Powerade, against Gatorade's dominance."

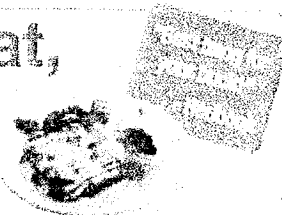
Last week, G2 continued its attack by debuting the first of three new TV spots tucked under its new "Everyday Athlete" tagline. It also added Eli Manning as brand spokesperson. "We're broadening who we call an athlete and meeting their needs with low-calorie offerings," said Carla Hassan, Gatorade's director of marketing. "We feel that we have a bigger opportunity to talk about G2's low calories. It will be emphasized even more."

Becoming an over-the-counter drug has done wonders for the health of the Zyrtec brand. The Johnson & Johnson-owned allergy reliever notched \$316 million in first-year sales since its January 2008 switchover from being a prescription-only medication. The FDA approved OTC use of the drug in November 2007.

Zyrtec has also benefited from its reputation as "fast-acting" relief to common allergy symptoms as well as a steep drop in price. Anne Berlack, evp of consumer and shopper insights at IRI, said the huge drop in pricing which typically accompanies prescription to OTC switches is a critical driver of first-year sales.

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**Eat Great,  
Lose  
Weight!**



**Call 1-888-378-3151**

**and get a FREE week  
of meals plus a  
BONUS \$25 gift!**

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# BRANDWEEK

## 2008 New Product Pacesetters: Top 10 Food and Beverage Brands

Year-one dollar sales (in millions) across food, drug and mass (excluding Wal-Mart)

|                                 |         |
|---------------------------------|---------|
| 1. G2                           | \$159.1 |
| 2. Dunkin' Donuts coffee        | \$111.6 |
| 3. Healthy Choice Café Steamers | \$95.2  |
| 4. Progresso Light              | \$75.0  |
| 5. Hormel Compleats             | \$71.3  |
| 6. DiGiorno Ultimate            | \$61.4  |
| 7. Smirnoff Ice flavors         | \$61.1  |
| 8. Diet Pepsi Max               | \$60.9  |
| 9. Tyson Any'tizers             | \$58.9  |
| 10. Doritos Collision           | \$57.7  |



## Top 10 Nonfood Brands

|                             |         |
|-----------------------------|---------|
| 1. Zyrtec                   | \$315.9 |
| 2. alli                     | \$160.4 |
| 3. Charmin Ultra Strong     | \$144.0 |
| 4. PedEgg                   | \$69.0  |
| 5. Secret Clinical Strength | \$50.6  |
| 6. MiraLAX                  | \$49.3  |
| 7. Dawn Plus                | \$49.2  |
| 8. Cover Girl Lash Blast    | \$45.0  |
| 9. Maybelline Define        | \$44.7  |
| 10. Tide Pure Essentials    | \$43.5  |

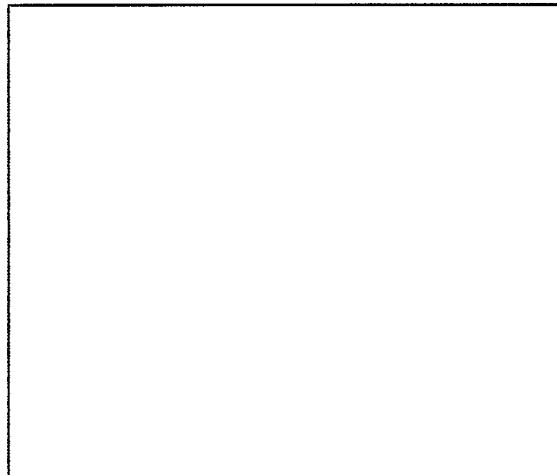
Source: IRI

Zyrtec's primary competitor, Claritin (from Schering-Plough), went OTC in December 2002, but there's room enough for the two brands to duke it out as they've distinguished themselves on separate claims, said Mintel senior analyst Krista Faron. Claritin prides itself on delivering nondrowsy relief.

Generic versions of the drug do exist—including one sold by Ohm Laboratories of New Brunswick, N. J.—but this is usually not enough to detract from branded sales in the short run, Berlack said.

Still, private label remains a long-term competitive threat. Generic brands accounted for 21.8 percent of U.S. cold, allergy and sinus remedy sales in 2008, per Mintel. Sales in this sector jumped 22.7 percent in two years. And, Faron said, until the economy turns around, consumers may very well "pick based on price."

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# **EXHIBIT 65**





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## Awards

■ Customer  
Loyalty Award

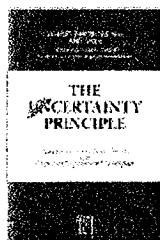
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## ■ Loyalty Leaders List

## ■ Sports Loyalty Results

Customer  
Loyalty  
Engagement

## ■ The Index

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## 2010 Brand Keys Customer Loyalty Engagement Index

The annual Brand Keys Customer Loyalty Engagement Winners are those brands best able to engage consumers and create loyal customers. Initiated in 1997, the Brand Keys Customer Loyalty Engagement Index is fielded annually in the spring and fall. The current Index examines customers' relationships with 518 brands in 71 categories.

The Brand Keys data paints a detailed picture of the category drivers that engage customers, engender loyalty and drive real profits.

These drivers not only define how the consumer will view the category, compare offerings, and, ultimately, buy, but also identify the expectations the consumer holds for each driver. The brand whose drivers come closest to meeting (or even exceeding) those of the category Ideal is always the one whose customers will demonstrate the highest levels of engagement and loyalty over the next 12 to 18 months.

To learn more about the Brand Keys Customer Loyalty Engagement Index, [click here](#). If you'd like information about previous years' Brand Keys Customer Loyalty Engagement Index, contact Leigh Benatar at 212-532-6028 on extension 15 or at [leighb@brandkeys.com](mailto:leighb@brandkeys.com).

In 2007, Brand Keys introduced the Brand Keys Customer Loyalty Insights Reports. To learn more about the Customer Loyalty Insights Reports, [click here](#) or call Leigh Benatar at 212-532-6028 on extension 15.

## 2010 Brands Listed by Category

This year's category winners are listed in RED.

**Airline**

JetBlue  
Southwest  
Midwest  
Delta  
Continental  
Northwest  
American  
US Airways  
United

**Allergy****Medicine (OTC)**

Tylenol  
Claritin  
Benadryl  
Sudafed  
Zyrtec  
Chlor-Trimeton

**Athletic****Footwear**

New Balance/Nike  
(tie)  
Air Jordan  
Adidas  
Asics  
Reebok  
Skechers  
Fila

**Automotive**

Hyundai  
Toyota  
Subaru  
Ford  
Saab  
BMW  
Mercedes  
Audi  
Honda  
Volkswagen  
Kia  
Nissan  
Mitsubishi  
Jeep  
Mazda  
Chevrolet  
Volvo  
Chrysler  
General Motors

**Bank**

Wells Fargo  
Bank of NY  
JPMorgan Chase

**Beer (Light)**

Coors Light  
Miller Lite  
Bud Light

**Beer (Regular)**

Budweiser  
Sam Adams  
Heineken

**Bottled Water**

Aquafina/San  
Pellegrino (tie)  
Fiji

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v.

Walgreen Co.,

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Rohinish Hooda; Opposer Test. Dep. Ex. 65

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PNC  
Wachovia  
Bank of America  
Citi

Michelob Light  
Amstel Light

Miller Genuine  
Coors  
Corona  
Beck's  
Michelob

Poland Spring  
Dannon  
Volvic  
Arrowhead  
Saratoga  
Perrier  
Crystal Geyser  
Acqua Panna  
Evian  
Deer Park  
Dasani

#### **Bottled Water (Enhanced)**

Vitamin Water  
Activate  
Nestle Pure Life  
Penta  
Smart Water

#### **Breakfast Cereal: Adults**

Cheerios  
Kix  
Honey Nut Cheerios  
Frosted Mini Wheats  
Raisin Bran  
Special K  
Honey Bunches of Oats  
Corn Flakes  
Post Grape-Nuts  
Post Raisin Bran  
Fiber One  
Chex  
Rice Krispies

#### **Breakfast Cereal: Kids**

Lucky Charms  
Frosted Flakes  
Cocoa Puffs  
Trix  
Cap'n Crunch  
Wheaties  
Froot Loops  
Honey Grahams

#### **Car Insurance**

Allstate  
Progressive  
GEICO  
State Farm  
Nationwide

#### **Car Rental**

Avis  
Hertz  
Enterprise  
National  
Budget  
Dollar  
Alamo

#### **Casual Dining**

IHOP  
Olive Garden  
TGI Friday's  
Ruby Tuesday's  
Red Lobster  
Applebee's  
Outback  
Arby's  
Hooters  
Chili's

#### **Clothing Catalogues**

J. Crew  
Lands' End  
L.L. Bean  
Eddie Bauer  
Chadwicks of Boston  
Coldwater Creek  
Sears

#### **Coffee**

Dunkin' Donuts  
Starbucks  
McDonald's  
Krispy Kreme

#### **Computer (Laptop)**

Apple  
Dell  
Samsung  
Sony VAIO  
HP  
Acer  
Toshiba  
Fujitsu  
Lenovo  
Gateway  
Compaq  
NEC  
Panasonic

#### **Computer (Netbook)**

Acer/Samsung (tie)  
Toshiba  
HP  
Gateway  
Dell  
Lenovo  
Apple Air  
Nokia  
Sony VAIO

#### **Cosmetics (Luxury)**

Estee Lauder  
Clinique  
Chanel  
Lancome  
Shiseido

#### **Cosmetics (Mass Merchandiser)**

Mary Kay  
Maybelline  
L'Oreal  
CoverGirl  
Revlon  
Max Factor  
Neutrogena  
Avon  
Almay  
Sephora  
Rimmel  
Coty

Credit Card

Digital SLR

Digital Point &

DVD

|  |   |   |  |
|--|---|---|--|
| American Express/Discover (tie)<br>Visa<br>Capital One<br>MasterCard | <b>Cameras</b><br>Canon/Nikon (tie)<br>Fuji<br>Panasonic<br>Sony<br>Olympus<br>Pentax | <b>Shoot Cameras</b><br>Kodak/Canon (tie)<br>Nikon<br>Fuji<br>Panasonic<br>Casio<br>Sony<br>Olympus<br>Pentax | <b>Players</b><br>Samsung<br>Sony<br>Toshiba<br>Phillips<br>Sharp<br>JVC<br>Pioneer<br>Panasonic |
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|---|--|---|---|
| <b>Energy Provider</b><br>PSE&G<br>PECO<br>Exelon<br>Conectiv<br>N-Star<br>Northeast<br>National Grid<br>Con Edison | <b>Evening News Show</b><br>CBS<br>ABC<br>NBC<br>MSNBC<br>CNN<br>FOX | <b>Gasoline</b><br>BP<br>Texaco<br>Sunoco<br>Chevron<br>Mobil<br>Exxon<br>Shell | <b>Hair Color</b><br>Clairol/L'Oreal (tie)<br>Garnier<br>Revlon |
|---|--|---|---|

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|--|--|--|---|
| <b>HDTV (LCD)</b><br>Samsung/Sony (tie)<br>LG<br>Sharp<br>JVC<br>Toshiba<br>Mitsubishi<br>Vizio<br>Panasonic<br>Hitachi<br>Phillips<br>RCA | <b>HDTV (Plasma)</b><br>Samsung<br>LG<br>Sony<br>Pioneer<br>Hitachi<br>Toshiba<br>Philips<br>Panasonic<br>Insignia | <b>Hotel (Luxury)</b><br>Inter-Continental<br>W Hotels<br>Fairmont<br>Ritz-Carlton | <b>Hotel (Upscale)</b><br>Embassy Suites<br>Hyatt<br>Marriott<br>Hilton<br>Radisson<br>Swissotel<br>Sheraton<br>Wyndham<br>Doubletree<br>Westin |
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| <b>Hotel (Midscale)</b><br>Best Western<br>Comfort Inn<br>Ramada<br>Hampton Inn<br>Holiday Inn | <b>Hotel (Economy)</b><br>Days Inn<br>Travelodge<br>Econo Lodge<br>Motel 6 | <b>Insurance Company</b><br>New York Life<br>MetLife<br>The Hartford<br>AXA<br>ING<br>Travelers<br>Prudential<br>Aetna | <b>IT Solutions Provider</b><br>Accenture<br>Cisco<br>HP<br>IBM<br>Dell<br>Oracle<br>Microsoft |
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**MFP Office Copier**

Konica Minolta/  
Canon (tie)  
Xerox  
Ricoh  
Panasonic  
HP  
Sharp  
Epson

**Moisturizing Skincare (Luxury)**

Clinique  
Estee Lauder  
Elizabeth Arden  
Lancome  
Shiseido  
Chanel  
Clarins

**Moisturizing Skincare (Mass Merchandiser)**

Mary Kay  
L'Oreal  
Aveeno  
Eucerin  
Neutrogena  
Vaseline  
Garnier  
Oil of Olay  
Nivea  
Ponds

**Morning News Show**

Today Show  
(NBC)  
Good Morning  
America (ABC)  
Fox & Friends  
(FOX)  
American Morning  
(CNN)  
Early Show (CBS)

**Mutual Fund**

Vanguard  
Putnam  
American Funds  
Fidelity  
Janus  
T.Rowe Price

**Online Books & Music**

Amazon.com  
BarnesandNoble.com  
Buy.com  
Overstock.com

**Online Brokerage**

Scottrade.com  
Options Xpress  
Wells Fargo  
Fidelity.com  
Schwab.com  
ETrade.com  
TDAmeritrade.com  
MerillLynch.com

**Online Travel**

Expedia/Kayak  
(tie)  
CheapTickets  
Orbitz  
Priceline  
Travelocity  
Fodors  
Hotels.com

**Pain Reliever (OTC)**

Advil  
Tylenol  
Aleve  
Excedrin  
Bayer  
St. Joseph's  
Motrin

**Paper Towels**

7th Generation/  
Bounty (tie)  
Viva  
Basic  
Brawny  
Scott  
Mardi Gras

**Parcel Delivery**

FedEx  
UPS  
US Postal Service

**Pasta Sauce**

Barilla  
Classico  
Colavita  
Newman's Own  
Rao's  
Healthy Choice  
Emeril's  
Ragu  
Buitoni  
Progresso  
Prego  
Hunt's

**Pet Food - Canned (Cats)**

Hills/Purina (tie)  
Iams  
Whiskers  
Fancy Feast  
Friskies  
Meow Mix  
9Lives

**Pet Food - Canned (Dogs)**

Purina One  
Pedigree  
Alpo  
Hills  
Gravy Train  
Iams  
Kibbles 'n Bits

**Pizza**

Domino's  
Pizza Hut  
Papa John's  
Little Caesars  
Godfather's  
Round Table  
Chuck E. Cheese

**Printers**

HP  
Lexmark  
Samsung  
Canon  
Dell  
Epson  
Brother

**Quick-Serve Restaurant**

McDonald's

**Retail Store (Apparel)**

J. Crew

**Retail Store (Department)**

Kohl's/T.J. Maxx

**Retail Store (Discount)**

Walmart

|                 |                     |           |        |
|-----------------|---------------------|-----------|--------|
| Subway          | Victoria's Secret   | (tie)     | Target |
| Burger King     | H&M                 | Macy's    | Kmart  |
| Quiznos         | Abercrombie & Fitch | Marshalls |        |
| KFC             | Gap                 | Sears     |        |
| Wendy's         | American Eagle      | Dillard's |        |
| Hardee's        | Outfitters          | JCPenney  |        |
| Jack in the Box | Aeropostale         |           |        |
| Taco Bell       | PacSun              |           |        |
|                 | Old Navy            |           |        |

|                                       |  |   |                                       |
|---------------------------------------|--|---|---------------------------------------|
| <b>Retail Store<br/>(Electronics)</b> | <b>Retail Store<br/>(Home<br/>Improvement)</b> | <b>Retail Store<br/>(Office<br/>Supply)</b> | <b>Retail Store<br/>(Price Clubs)</b> |
| Best Buy                              | Home Depot                                     | Staples                                     | Sam's Club                            |
| Radio Shack                           | Ace  | Office Depot                                | Costco                                |
|                                       | Lowe's   | OfficeMax                                   | BJ's                                  |
|                                       | True Value                                     |   |                                       |

|                          |                    |                              |                                 |
|--------------------------|--------------------|------------------------------|---------------------------------|
| <b>Search<br/>Engine</b> | <b>Smart Phone</b> | <b>Soft Drink<br/>(Diet)</b> | <b>Soft Drink<br/>(Regular)</b> |
| Google/Bing (tie)        | Apple              | Diet Pepsi                   | Pepsi                           |
| MSN                      | Samsung            | Diet Coke                    | Mountain Dew                    |
| AOL                      | Blackberry         | Diet 7-UP                    | Coca-Cola                       |
| Netscape                 | Nokia              | Diet Dr. Pepper              | 7-UP                            |
| ASK                      | LG                 |                              | Dr. Pepper                      |
| Altavista                | Palm               |                              |                                 |
| Yahoo                    | Motorola           |                              |                                 |

|                   |                 |                             |                                       |
|-------------------|-----------------|-----------------------------|---------------------------------------|
| <b>Toothpaste</b> | <b>Vodka</b>    | <b>Wireless<br/>Handset</b> | <b>Wireless<br/>Phone<br/>Service</b> |
| Tom's of Maine    | Grey Goose      | Samsung                     | AT&T Wireless                         |
| Crest             | Belvedere       | LG                          | Verizon Wireless                      |
| Colgate           | 3 Olives        | Sony Ericsson               | Sprint PCS                            |
| Arm & Hammer      | Ketel One       | Motorola                    | T-Mobile                              |
| Listerine         | Rain            | Nokia                       |                                       |
| Ultra Brite       | Chopin          | Sanyo                       |                                       |
| Aim               | Skyy            | Panasonic                   |                                       |
| Sensodyne         | Jewel of Russia |                             |                                       |
| Aquafresh         | Ciroc           |                             |                                       |
|                   | Stolichnaya     |                             |                                       |
|                   | Absolut         |                             |                                       |
|                   | Vox             |                             |                                       |
|                   | Finlandia       |                             |                                       |
|                   | Smirnoff        |                             |                                       |


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# **EXHIBIT 66**



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MediaPost

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Home &gt; Marketing Daily &gt; Tuesday, Mar 3, 2009

## Brand Keys: 'Value' Is New 'Price' In Customer Loyalty

by Karl Greenberg, Monday, March 2, 2009, 4:04 PM

Article ▼ Comments (1) ▼

Even as the floor is dropping out of the U.S. economy and restaurants are offering "recession deals," price isn't everything. New York-based marketing firm Brand Keys, in its 2009 Brand Keys Customer Loyalty Index, says successful brands are those that stand out because consumers think of them as valuable, and don't see the term as a synonym for "cheap."

The just-released index says, in fact, that consumer expectations regarding brand value went up 20% this year versus last. It surveyed consumers on 441 brands in 62 categories. That these scores are loyalty measures and not measures of awareness or satisfaction is emphasized by Tom's of Maine's top position on key drivers like Natural Ingredients & Added Value.


Also among the 69 brands that won the highest levels of loyalty and engagement assessments from 26,000 respondents were: Avis, JetBlue, Bank of America, Zyrtec, Sam Adams, Cheerios, Allstate, Dunkin' Donuts, Mary Kay, Kodak, W Hotels, Scottrade, Jams, McDonald's, Grey Goose, ABC TV, Nike, Apple, Wal-Mart, the NFL and Tom's of Maine.

Robert Passikoff, president and founder of the firm, says that because of the Web, the onus is on marketers to prove value and prove the deals are real.

"Brand difference and brand value have increased in terms of percent contribution they make to engagement loyalty and profitability," he says. "That means the consumer who has been handling that on their own for a while now expects, generally speaking, that their brands will provide that. I think what you are seeing is not only the effects of the economy--the economy may have been a catalyst--people are looking for best value for price."

He says that is particularly clear now because for a long time, as the economy was growing, brands put their heads in the sand. "Apple is the absolute classic example," he says. "With products like iPod, Apple creates added value and differentiation with aspects like design and ownership of higher technology. The issue is, how low does the price need to go for you to be able to leverage a consumer away from added value?"

He says that even a commodity like home heating oil is subject to the influence of value. "It's a commodity, but if the guy is offering you a low or no-cost service contract and is willing to come out to fix the heater--versus someone who will sell you heating oil for 50 cents less--price isn't the issue, it's value. And for each of the brands who are winners, you can find a point in time where they literally own some aspect of what drives the category: for JetBlue or Southwest, the issue isn't low price, it's in-flight service."

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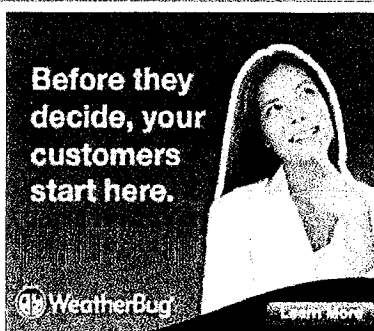
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# **EXHIBIT 67**

**Zyrtec Press Clippings**  
**November 2007 – October 2008**  
**Part 1**

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**Monterey County Herald Online**  
**Ask Dr. Gott: Hot water keeps things flowing**  
**October 30, 2008**  
**By Peter Gott**

Dear Dr. Gott: My husband is 82 years old and swims five to six times a week. At 15, he was a Marine and fought in World War II.

For the past two or three years, he has had an itch primarily on his back and shoulders but sometimes all over. The dermatologist has tried many salves, creams, cortisone and other things. He also ordered a biopsy, which turned out normal. What do you advise?

Dear Reader: Itchy skin can be difficult to treat. It is often caused by irritants and is accompanied by a rash. Your husband appears to have run the gamut of dermatologic causes and now needs to move on.

First, I recommend that he stop swimming for two or three weeks. Many people experience skin dryness, itchiness and/or rash because of some of the chemicals in the pool. This is especially true for public pools, where chemical levels are often higher than in home pools because more people use it and more contaminants must be eliminated.

Another possible cause could be an allergy. Perhaps a trial of over-the-counter antihistamines such as Claritin or Zyrtec is appropriate. If all else fails, your husband should see an internist, who can further test him and, if necessary, refer him to other specialists.

Write to Dr. Gott c/o United Media, 200 Madison Ave., 4th fl., New York, N.Y. 10016.

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**Drug Store News Press Release**  
**Drug Store News' Retail Clinician Launches Debut Retail Clinician Family Health Edition**  
**With Support From McNeil Consumer Healthcare**  
**October 23, 2008**

NEW YORK, Oct. 23 /PRNewswire/ -- Retail Clinician publishes, this month, a bonus edition of its quarterly magazine with an issue focused on the self-care revolution. This Special Issue was developed with support from McNeil Consumer Healthcare, a Johnson & Johnson Consumer Products Company (NYSE: JNJ) the producer of some of the most well-known and trusted OTC brands including TYLENOL, BENADRYL, SUDAFED and ZYRTEC.

In-store healthcare professionals say that they recommend an OTC to more than 58 percent of their patients, according to the third annual Retail Clinician Reader's Survey. Furthermore, 92 percent of those surveyed say that they want more information on self-care treatment options.

"Over-the-counter medicines play almost an equal role to prescription drugs when it comes to what's inside the toolkit of the in-store healthcare provider," explains Rob Eder, Retail Clinician Editor in Chief. "We are proud to present our first-ever Retail Clinician Family Health edition, a special bonus for Retail Clinician readers, with a special emphasis on helping practitioners better understand the proper role and usage of OTC medicines and where they fit in the in-store practice."

The October Special Edition includes feature stories on:

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

McNeil-PPC, Inc.,

Opposer,

Opp. No. 91184978

v.

Walgreen Co.,

Applicant.

**Rohinish Hooda; Opposer Test. Dep. Ex. 67**

**McNeil 000239**

- Self-care health management strategies
- Differences between the common cold and fall allergies
- The ABCs of Health Saving and Flexible Savings Accounts
- A how-to on minimizing the impact and costs of the cold and flu season

The support of McNeil Consumer Healthcare underscores their strong commitment to helping in-store healthcare providers provide high quality, cost-effective and convenient health care for busy individuals and families. "We are proud to support the Family Health Supplement of Retail Clinician and look forward to continuing to help practitioners educate patients," says Edwin K. Kuffner, MD Senior director, Medical Affairs for McNeil Consumer Healthcare.

With this Special Edition of Retail Clinician, parent publication Drug Store News re-enforces its dedication to coverage of this emerging retail format and its promise to foster dialog in the industry. "Every issue of Retail Clinician and specifically this Special Family Health Edition presents an opportunity for suppliers and in-store health professionals to exchange ideas and devise strategies that will result in a quality healthcare offering for American families. We are proud of the role that we play in furthering these discussions," says John Kenlon, Group Publisher.

#### About Retail Clinician

Retail Clinician, launched in 2006, is the only publication that is dedicated to informing in-store healthcare providers practicing in the convenient care clinic environment and the headquarter-level executives that are making strategic decisions concerning the clinics. The magazine is distributed to 9000 industry influentials including retail based nurse practitioners, clinic management and chain pharmacy decision makers.

#### About Drug Store News

Drug Store News has been the voice of the retail drug industry for more than seven decades. Forty thousand industry professionals read its flagship magazine for its timely coverage of industry news, merchandising trends and pharmacy developments. Its authoritative articles and studies provide extensive coverage of every major segment of chain drug retailing and combination stores, keeping it number one in readership. For more information go to [www.drugstorenews.com](http://www.drugstorenews.com)

#### SOURCE Drug Store News

Paula Lashinsky, +1-212-756-5131, for Drug Store News

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#### **Associated Press**

**Sick economy has patients skimping on medicine**

**October 23, 2008**

**By LINDSEY TANNER and LINDA A. JOHNSON**

**(picked up by Boston Globe Online)**

CHICAGO (AP) -- The ailing economy is leading many Americans to skip doctor visits, skip on their medicine, and put off mammograms, Pap smears and other tests. And physicians worry the result will be sicker patients who need more expensive treatment later.

"I have to pretty much be very ill to go to the doctor," said Julie Shelley, a 49-year-old office manager and mother of three from West Milton, Ohio. "I'm probably at the age where I should have a checkup or physical. I'm not going to do it. I am last on the list."

"I have patients who have stopped taking their osteoporosis medication."

On Tuesday, the drug giant Pfizer, which makes Lipitor, the world's top-selling prescription medicine, said United States sales of that drug were down 13 percent in the third quarter of this year.

Through August of this year, the number of all prescriptions dispensed in the United States was lower than in the first eight months of last year, according to a recent analysis of data from IMS Health, a research firm that tracks prescriptions.

Although other forces are also in play, like safety concerns over some previously popular drugs and the transition of some prescription medications to over-the-counter sales, many doctors and other experts say consumer belt-tightening is a big factor in the prescription downturn.

The trend, if it continues, could have potentially profound implications.

If enough people try to save money by forgoing drugs, controllable conditions could escalate into major medical problems. That could eventually raise the nation's total health care bill and lower the nation's standard of living.

Martin Schwarzenberger, a 56-year-old accounting manager for the Boys and Girls Clubs of Greater Kansas City, is stretching out his prescriptions. Mr. Schwarzenberger, who has Type 1 diabetes, is not cutting his insulin, but has started scrimping on a variety of other medications he takes, including Lipitor.

"Don't tell my wife, but if I have 30 days' worth of pills, I'll usually stretch those out to 35 or 40 days," he said. "You're trying to keep a house over your head and use your money to pay all your bills."

Although the overall decline in prescriptions in the IMS Health data was less than 1 percent, it was the first downturn after more than a decade of steady increases in prescriptions, as new drugs came on the market and the population aged.

From 1997 to 2007, the number of prescriptions filled had increased 72 percent, to 3.8 billion last year. In the same period, the average number of prescriptions filled by each person in this country increased from 8.9 a year in 1997 to 12.6 in 2007.

Dr. Timothy Anderson, a Sanford C. Bernstein & Company pharmaceutical analyst who analyzed the IMS data and first reported the prescription downturn last week, said the declining volume was "most likely tied to a worsening economic environment."

In some cases, the cutbacks might not hurt, according to Gerard F. Anderson, a health policy expert at Johns Hopkins Bloomberg School of Public Health. "A lot of people think there's probably over-prescribing in the United States," Mr. Anderson said.

But for other patients, he said, "the prescription drug is a lifesaver, and they really can't afford to stop it."

Dr. Thomas J. Weida, a family physician in Hershey, Pa., said one of his patients ended up in the hospital because he was unable to afford insulin.

Not everyone simply stops taking their drugs.

"They'll split pills, take their pills every other day, do a lot of things without conferring with their doctors," said Jack Hoadley, a health policy analyst at Georgetown University.

"We've had focus groups with various populations," Mr. Hoadley said. "They'll look at four or five prescriptions and say, 'This is the one I can do without.' They're not going to stop their pain medication because they'll feel bad if they don't take that. They'll stop their statin for cholesterol because they don't feel any different whether they take that or not."

Overall spending in the United States for prescription drugs is still the highest in the world, an estimated \$286.5 billion last year. But that number makes up only about 10 percent of this country's total health expenditures of \$2.26 trillion.

Pharmaceutical companies have long been among those arguing that drugs are a cost-effective way to stave off other, higher medical costs.

The recent prescription cutbacks come even as the drug industry was already heading toward the "generic cliff," as it is known -- an approaching period when a number of blockbuster drugs are scheduled to lose patent protection. That will be 2011 for Lipitor.

Already, a migration to generic drugs means that 60 percent of prescriptions over all are filled by off-brand versions of drugs. But with money tight, even cheaper generic drugs may not always be affordable drugs.

Factors other than the economy that may also be at play in the prescription downturn include adverse publicity about some big-selling medications -- like the cholesterol medications Zetia and Vytorin, marketed jointly by Merck and Schering-Plough. And sales of Zyrtec, a popular allergy medication, moved out of the prescription category earlier this year when Johnson & Johnson began selling it as an over-the-counter medication.

Diane M. Conmy, the director of market insights for IMS Health, said the drop in prescriptions might also be partly related to the higher out-of-pocket drug co-payments that insurers are asking consumers to pay.

"Some consumers are making decisions based on the fact that they are bearing more of the cost of medicines than they have in the past," Ms. Conmy said.

The average co-payment for drugs on insurers' "preferred" lists rose to \$25 in 2007, from \$15 in 2000, according to the Kaiser Family Foundation, a nonprofit health care research organization. And, of course, lots of people have no drug insurance at all. That includes the estimated 47 million people in the United States with no form of health coverage, but it is also true for some people who have medical insurance that does not include drug coverage -- a number for which no good data may exist.

For older Americans, the addition of Medicare drug coverage in 2006 through the Part D program has meant that 90 percent of Medicare-age people now have drug insurance. And in the early going, Part D had helped stimulate growth in the nation's overall number of prescriptions, as patients who previously had no coverage flocked to Part D.

But a potential coverage gap in each recipient's benefit each year -- the so-called Part D doughnut hole -- means that many Medicare patients are without coverage for part of the year.

The recent IMS Health figures reveal that prescription volume declined in June, in July and again in August, mirroring studies from last year suggesting that prescription use begins dropping at about the time more Medicare beneficiaries begin entering the doughnut hole.

Under this year's rules, the doughnut hole opens when a patient's total drug costs have reached \$2,510, which counts the portion paid by Medicare as well as the patient's own out-of-pocket deductibles and co-payments.

The beneficiary must then absorb 100 percent of the costs for the next \$3,216, until total drug costs for the year have reached \$5,726, when Medicare coverage resumes.

Gloria Wofford, 76, of Pittsburgh, said she recently stopped taking Provigil, prescribed for her problem of falling asleep during the day, because she could no longer afford it after she entered the Medicare doughnut hole.

Her Provigil had been costing \$1,695 every three months. "I have no idea who could do it," she said. "There's no way I could handle that."

Without the medication, Ms. Wofford said, she falls asleep while sitting at her computer during the day but then cannot sleep during the night. Because she feels she has no choice, Ms. Wofford is paying out of pocket to continue taking an expensive diabetes medication that costs more than \$500 every three months.

For some other people, the boundaries of when and where to cut back are less distinct.

Lori Stewart of Champaign, Ill., is trying to decide whether to discontinue her mother's Alzheimer's medications, which seem to have only marginal benefit.

"The medication is \$182 a month," said Ms. Stewart, who recently wrote about the dilemma on her personal blog.

"It's been a very agonizing decision for me. It is literally one-fifth of her income."

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**Pfizer Inc. Press Release  
Pfizer Reports Third-Quarter 2008 Results  
October 21, 2008**

NEW YORK - (BUSINESS WIRE) - Pfizer Inc (NYSE: PFE):

(\$ in millions, except per share amounts)

|                           | Third-Quarter<br>2008 |        | Year-to-Date<br>2007 | Change | 2008  | 2007 | Change |               |
|---------------------------|-----------------------|--------|----------------------|--------|-------|------|--------|---------------|
| Reported Revenues         | \$                    | 11,973 | \$                   | 11,990 | --    | \$   | 35,950 | \$ 35,548 1 % |
| Reported Net Income       |                       | 2,278  |                      | 761    | 199 % |      | 7,838  | 5,420 45 %    |
| Reported Diluted EPS      |                       | 0.34   |                      | 0.11   | 209 % |      | 1.16   | 0.78 49 %     |
| Adjusted Revenues((1))    |                       | 12,159 |                      | 11,950 | 2 %   |      | 36,030 | 35,414 2 %    |
| Adjusted Income((1))      |                       | 4,180  |                      | 3,963  | 5 %   |      | 11,977 | 11,711 2 %    |
| Adjusted Diluted EPS((1)) |                       | 0.62   |                      | 0.58   | 7 %   |      | 1.77   | 1.68 5 %      |

See end of text prior to tables for notes.

Pfizer Inc (NYSE: PFE) today reported financial results for third-quarter 2008. The Company recorded reported revenues of \$12.0 billion, consistent with the year-ago quarter, despite the negative impact of the loss of U.S. exclusivity for Zyrtec, which Pfizer ceased selling in late January 2008, and for Camptosar in February 2008. Zyrtec and Camptosar third-quarter 2008 revenues decreased by \$549 million (\$428 million and \$121 million, respectively), compared with the year-ago quarter. Foreign exchange favorably impacted reported revenues by approximately \$620 million or 5%, as did the solid performance of many key products. Reported revenues in third-quarter 2008 were negatively impacted by a \$217 million adjustment to prior years' liabilities for product returns. U.S. reported revenues accounted for 41% of the total compared with 48% in the year-ago quarter, while international reported revenues accounted for 59% of the total

compared with 52% in the year-ago quarter. In the U.S., reported revenues were \$4.9 billion, a decrease of 15%, while international reported revenues were \$7.1 billion, an increase of 13%, compared to third-quarter 2007. The increase in international reported revenues reflects the favorable impact of foreign exchange of 10% and operational growth of 3%.

For third-quarter 2008, Pfizer posted reported net income of \$2.3 billion, compared with \$761 million in the prior-year quarter, and reported diluted EPS of \$0.34, compared with \$0.11 in the prior-year quarter. These increases were primarily attributable to the after-tax charges of \$2.1 billion related to the decision to exit Exubera in the year-ago quarter, which was partially offset by the after-tax charge in third-quarter 2008 of approximately \$640 million resulting from the previously announced agreements in principle to resolve certain litigation involving the Company's non-steroidal anti-inflammatory (NSAID) pain medicines as well as the after-tax charge of approximately \$150 million associated with the aforementioned adjustment to prior years' product returns liabilities.

For the first nine months of 2008, Pfizer recorded reported revenues of \$36.0 billion, an increase of 1% compared with \$35.5 billion in the same period in 2007, despite the loss of U.S. exclusivity of Norvasc (March 2007), Zyrtec (January 2008) and Camptosar (February 2008), which collectively decreased revenues by \$2.1 billion. Foreign exchange favorably impacted revenues by approximately \$2.0 billion or 6%, as did the solid performance of many key products. U.S. reported revenues accounted for 42% of the total compared with 49% in the year-ago period, while international reported revenues accounted for 58% of the total compared with 51% in the year-ago period. In the U.S., reported revenues were \$15.2 billion, a decrease of 13%, while international reported revenues were \$20.8 billion, an increase of 15% compared to the year-ago period. The increase in international reported revenues reflects the favorable impact of foreign exchange of 11% and operational growth of 4%.

For the first nine months of 2008, the Company posted reported net income of \$7.8 billion, compared with \$5.4 billion in the prior-year period, and reported diluted EPS of \$1.16, compared with \$0.78 in the prior-year period. These increases were primarily attributable to the previously mentioned after-tax charges of \$2.1 billion related to Exubera in the year-ago quarter, lower restructuring charges associated with cost-reduction initiatives, as well as savings generated by those initiatives, which were partially offset by the previously mentioned after-tax charge of approximately \$640 million associated with the resolution of certain NSAID litigation in third-quarter 2008.

#### Adjusted Revenue((1)), Adjusted Income((1)) and Adjusted Diluted EPS((1)) Results

For third-quarter 2008, Pfizer posted adjusted revenues( (1)) of \$12.2 billion, an increase of 2% compared with \$12.0 billion in the year-ago quarter. For the first nine months of 2008, Pfizer posted adjusted revenues((1)) of \$36.0 billion, an increase of 2% compared with \$35.4 billion in the first nine months of 2007. Adjusted revenues((1)) were positively impacted by foreign exchange and the solid performance of many key products, and negatively impacted by the loss of U.S. exclusivity of Norvasc, Zyrtec and Camptosar.

For third-quarter 2008, Pfizer recorded adjusted income((1)) of \$4.2 billion, an increase of 5% compared with \$4.0 billion in the year-ago quarter, and adjusted diluted EPS((1)) of \$0.62, an increase of 7% compared with \$0.58 in the year-ago quarter. For the first nine months of 2008, Pfizer recorded adjusted income((1)) of \$12.0 billion, an increase of 2% compared with \$11.7 billion in the year-ago period, and adjusted diluted EPS((1)) of \$1.77, an increase of 5% compared with \$1.68 in the year-ago period. In third-quarter 2008, adjusted income((1)) and adjusted diluted EPS((1)) were positively impacted by foreign exchange and savings associated with cost-reduction initiatives, which were partially offset by a decrease in net interest income. In the first nine months of 2008 compared with the same period in 2007, adjusted income((1)) and adjusted diluted EPS((1)) were impacted by the aforementioned factors in addition to the 2007

payment to Bristol-Myers Squibb Company in connection with the apixaban collaboration, as well as the 2008 favorable income tax adjustments.

Reported and adjusted diluted EPS((1)) were also positively impacted by the full benefit of Pfizer's purchase of \$10.0 billion of the Company's common stock in 2007.

#### Executive Commentary

"We remain on-track to meet our 2008 objectives, despite the turbulent global economy," said Chairman and Chief Executive Officer Jeff Kindler. "We continued to deliver steady results this quarter, with many of our most important medicines performing well around the world, including Lyrica, Celebrex, Viagra, Sutent, Zyvox and Geodon, as well as Lipitor in a highly competitive market. Looking ahead, we are making progress on our growth strategies, including increasing the number of programs in our Phase 3 portfolio from 16 to 25 in the last six months. With the formation of the Primary Care, Specialty Care and Emerging Markets units, which join the existing Oncology and Established Products units, we continue to evolve our pharmaceutical operations into smaller, more focused units that can anticipate and respond more quickly to our customers' and patients' changing needs."

Frank D'Amelio, Chief Financial Officer, commented, "Based on our year-to-date performance and outlook for the remainder of 2008, we are raising the lower end of our guidance range for full-year 2008 revenues to \$48.0 to \$49.0 billion from \$47.0 to \$49.0 billion. In addition, we have increased our guidance to at least a \$2.0 billion reduction of absolute adjusted total costs((2)) at the end of 2008 compared with 2006 on a constant currency basis((3)). At the end of third-quarter 2008, cost reductions under this program totaled \$1.7 billion. We are pleased with our progress and continue to look for new opportunities to further reduce and more effectively manage our costs. Finally, with our strong balance sheet and operating cash flow, we remain confident that we have the financial flexibility to successfully execute our strategies and meet our financial objectives in the face of the current macroeconomic environment."

#### Product Performance

(\$ in millions, except percentages)

|                                     | Third-Quarter<br>2008 |    | Year-to-Date<br>2007 | Change | 2008   | 2007 | Change |           |
|-------------------------------------|-----------------------|----|----------------------|--------|--------|------|--------|-----------|
| In-Line Products((4))               | \$                    |    | 10,061               | \$     | 9,323  | 8    | %      | \$ 29,503 |
| 27,363                              | 8                     | %  |                      |        |        |      |        |           |
| New Products((5))                   |                       |    | 448                  |        | 402    | 11   | %      | 1,369     |
| 34                                  |                       | %  |                      |        |        |      |        | 1,021     |
| Total In-Line and New Products((6)) |                       |    | 10,509               |        | 9,725  | 8    | %      | 30,872    |
| 28,384                              | 9                     | %  |                      |        |        |      |        |           |
| Loss of Exclusivity Products((7))   |                       |    | 684                  |        | 1,311  | (48  | %)     | 2,278     |
| 4,338                               | (47                   | %) |                      |        |        |      |        |           |
| Returns Adjustment                  |                       |    | (217                 | )      | --     | *    | (217   | ) -- *    |
| Total Pharmaceutical                |                       |    | 10,976               |        | 11,036 | (1   | %)     | 32,933    |
| 32,722                              | 1                     | %  |                      |        |        |      |        |           |
| Animal Health                       |                       |    | 708                  |        | 636    | 11   | %      | 2,042     |
| %                                   |                       |    |                      |        |        |      |        | 1,854     |
| Other((8))                          |                       |    | 289                  |        | 318    | (9   | %)     | 975       |
|                                     |                       |    |                      |        |        |      |        | 972 --    |



|                |    |        |    |        |    |           |    |
|----------------|----|--------|----|--------|----|-----------|----|
| Total Revenues | \$ | 11,973 | \$ | 11,990 | -- | \$ 35,950 | \$ |
| 35,548         | 1  | %      |    |        |    |           |    |

See end of text prior to tables for notes.

\* Calculation not meaningful.

#### Pharmaceutical

Pharmaceutical revenues for third-quarter 2008 were \$11.0 billion, a decrease of 1% compared with the prior-year quarter, including the favorable impact of foreign exchange of approximately \$570 million or 5%. Third-quarter 2008 revenues from in-line and new products<sup>(6)</sup> increased 8% compared with the year-ago quarter, which excludes the impact of the loss of U.S. exclusivity of Norvasc, Zyrtec and Camptosar, which collectively decreased revenues by \$627 million compared with the year-ago quarter. Additionally, pharmaceutical revenues were impacted by a \$217 million adjustment to the prior years' product returns liabilities.

Lipitor revenues in third-quarter 2008 were \$3.1 billion, a decrease of 1% compared with the prior-year quarter. In the U.S., Lipitor revenues were \$1.6 billion, a decrease of 13% compared with the prior-year quarter, while revenues from international markets were \$1.6 billion, an increase of 16%. The increase in international revenues reflects the favorable impact of foreign exchange of approximately \$130 million, or 10%, and operational growth of 6%. The global statin market remains highly competitive, marked by decelerating market growth and increasing cost constraints. Pfizer continues to respond to these market dynamics by focusing on Lipitor's differentiated clinical profile backed with strong landmark outcomes data. Pfizer recently launched a new multi-channel "Heart to Heart" direct-to-consumer campaign featuring patient testimonials to motivate new patients to speak with their physicians.

Lyrica revenues in third-quarter 2008 were \$675 million, an increase of 45% compared with the prior-year quarter, driven by high patient and physician satisfaction globally demonstrated by strong physician prescribing patterns, as well as growth in the U.S. fibromyalgia market, where we continue to expand our leadership position. In the U.S., Lyrica revenues rose to \$379 million, an increase of 40% compared with the prior-year quarter, while international revenues grew to \$296 million, an increase of 51% primarily from operational growth.

Celebrex revenues in third-quarter 2008 were \$625 million, an increase of 8% compared with the year-ago quarter, supported by continued educational and promotional efforts highlighting the benefit-risk proposition of Celebrex, as well as the favorable impact of foreign exchange. In the U.S., Celebrex revenues were \$450 million, an increase of 4% compared with the prior-year quarter, while international revenues were \$175 million, an increase of 21%.

Sutent revenues in third-quarter 2008 were \$226 million, an increase of 49% compared with the year-ago quarter, demonstrating continued strong performance and market leadership in its approved indications. In the U.S., Sutent revenues were \$62 million, an increase of 4% compared with the prior-year quarter, while international revenues were \$164 million, an increase of 79%. Sutent is now available in all major markets and is supported by efficacy, survival and cost-effectiveness data. Further, our robust life cycle plan currently includes Phase 3 clinical trials in cancers with unmet medical need, such as breast, lung, colorectal, liver and prostate cancers.

Chantix (known as Champix outside the U.S.) revenues in third-quarter 2008 were \$182 million, a decrease of 24% compared with third-quarter 2007. In the U.S., Chantix revenues were \$96 million, a decline of 49% compared with the prior-year quarter, while international revenues were \$86 million, an increase of 60%. Third-quarter 2008 U.S. results continued to be negatively impacted by the changes to the Chantix U.S. label in prior quarters. Pfizer continues its educational and promotional efforts focused on the Chantix benefit-risk proposition, the significant health consequences of smoking and the importance of physician-patient dialogue in helping

patients quit smoking. In September, the U.S. branded direct-to-consumer campaign was re-launched with print, television and web advertising. Chantix has now been either approved or launched in all major markets.

#### Animal Health

Animal Health revenues for third-quarter 2008 were \$708 million, an increase of 11% compared with \$636 million in the year-ago quarter. The increase was driven by the favorable impact of foreign exchange, which increased revenues by approximately \$35 million or 6%, in addition to strong global livestock and companion animal product performance.

#### Costs and Expenses

In third-quarter 2008, adjusted cost of sales((1)) as a percentage of revenues was 14.5% compared with 15.1% in third-quarter 2007. This improvement reflects the benefits from our cost-reduction initiatives, partially offset by a less favorable geographic mix.

Adjusted selling, informational and administrative (SI&A) expenses((1)) were \$3.4 billion in third-quarter 2008, a decrease of 6% compared with the prior-year quarter, due to the continued favorable impact of our cost-reduction initiatives, which was partially offset by the unfavorable impact of foreign exchange compared with the year-ago period.

Adjusted research and development (R&D) expenses were \$1.8 billion in third-quarter 2008, an increase of 2% compared with the prior-year period. This primarily reflects increased spending on Phase 3 programs, partially offset by the favorable impact of cost-reduction initiatives.

Overall, foreign exchange increased adjusted total costs((2)) by \$242 million or 3% in third-quarter 2008 compared with the prior-year period. Excluding the impact of foreign exchange, adjusted total costs((2)) decreased by approximately \$460 million, or 6%, compared with the year-ago quarter. The operational improvement was driven partially by the reduction in workforce to 83,400 at the end of third-quarter 2008, a decline of 3,600 compared with the end of third-quarter 2007, as well as manufacturing and research and development site exits.

At the end of third-quarter 2008, Pfizer achieved its goal to reduce absolute adjusted total costs((2)) by at least \$1.5 to \$2.0 billion at the end of 2008 compared with 2006 on a constant currency basis((3)), having realized a total reduction of \$1.7 billion. Pfizer now expects to reduce absolute adjusted total costs((2)) by at least \$2.0 billion by the end of 2008. These initiatives span essentially all divisions, functions, markets and sites, and reflect a workforce reduction of 14,600 since the target was established in January 2007.

#### Financial Guidance

For full-year 2008, Pfizer's financial guidance, at current exchange rates((9)) is summarized below. Revenue guidance has been narrowed to a range of \$48.0 to \$49.0 billion from \$47.0 to \$49.0 billion, adjusted SI&A expenses((1)) guidance has been narrowed to a range of \$14.4 to \$14.7 billion from \$14.4 to \$14.9 billion, and adjusted diluted EPS((1)) guidance has been narrowed to a range of \$2.36 to \$2.41 from \$2.35 to \$2.45. Additionally, reported diluted EPS((10)) guidance has been reduced to a range of \$1.61 to \$1.71 from \$1.73 to \$1.88, reflecting in part the charges associated with the previously mentioned resolution of certain NSAID litigation.

|   | 2007 Actual    | 2008 Guidance            |
|---|----------------|--------------------------|
| Revenues  | \$48.2 billion | \$48.0 to \$49.0 billion |
| Adjusted Cost of Sales((1)) as a Percentage of Revenues | 16.0%          | 15.0% to 15.5%           |

|  |                |                          |
|--|----------------|--------------------------|
| Adjusted SI&A Expenses((1))                | \$15.2 billion | \$14.4 to \$14.7 billion |
| Adjusted R&D Expenses((1))                 | \$7.5 billion  | \$7.3 to \$7.6 billion   |
| Effective Tax Rate on Adjusted Income((1)) | 21.0%          | 21.5% to 22.0%           |
| Reported Diluted EPS((10))                 | \$1.17         | \$1.61 to \$1.71         |
| Adjusted Diluted EPS((1))                  | \$2.18         | \$2.36 to \$2.41         |
| Cash Flows from Operations                 | \$13.4 billion | \$17.0 to \$18.0 billion |

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## Reuters

### Pfizer cost cuts help, but Street pines for deals

October 21, 2008

NEW YORK, Oct 21 (Reuters) - Pfizer Inc posted a better-than-expected quarterly profit on Tuesday on aggressive cost cuts, but analysts cautioned the company has been overly tame in buying new products to offset looming sales declines for its Lipitor cholesterol fighter.

Lipitor delivered \$3.1 billion in third-quarter worldwide sales, a decrease of 1 percent in the increasingly competitive field. The slide in the U.S. market was more pronounced, down 13 percent from a year before.

Pfizer's ongoing aggressive cost cuts are meant to help the company remain competitive after Lipitor goes off-patent in late 2011 and cheaper generics wrest away most of the branded product's sales.

"This is now an organization where a focus on productivity and efficiency is a way of life," company Chief Executive Jeff Kindler said in an interview. "We need a cost structure that is appropriate for our revenues."

Meanwhile, Kindler said Pfizer aims to boost its revenue through acquisitions. Although the value of many smaller drugmakers may have fallen during the economic downturn, he said Pfizer still has strict guidelines for deals.

"It has to be strategic, at the right price and done in a way that minimizes disruption to our productivity," said Kindler.

Some analysts have said Kindler, in his two years at the helm of Pfizer, has been too cautious in buying companies or products that could help replace Lipitor.

"Clearly he hasn't done anything radical and I think that's what people are looking for," said Natixis Bleichroeder analyst Jon LeCroy.

LeCroy said investors are growing increasingly impatient with Pfizer and Kindler since company shares are trading at 11-year lows, having tumbled 26 percent in the past 12 months.

Although Pfizer deems its cash flow and cash holdings as adequate to protect its industry-topping dividend, some analysts say more of it should be used to buy drugmakers or their products.

"The most troubling aspect of the story is the massive patent 'cliff' Pfizer faces that will put its earnings growth from 2012-2015 into sharply negative territory," Sanford Bernstein analyst Tim Anderson said in a research note on Tuesday.

"It will likely be difficult for Pfizer to effectively replace these lost revenue streams, suggesting that a merger or acquisition may lay in the company's future," Anderson said.

Pfizer said it had net income of \$2.28 billion, or 34 cents per share, in the third quarter.

That compared with \$761 million, or 11 cents per share, in the year-earlier period, when the company took a hefty charge to end its involvement with an inhaled insulin drug.

Excluding special items, Pfizer earned 62 cents per share, topping analysts' average expectations by 2 cents, according to Reuters Estimates.

Revenue was barely changed at \$11.97 billion. Foreign exchange aided reported revenue by about \$620 million, or 5 percent, Pfizer said.

"Pfizer's ability to match our 62 cents estimate and exceed consensus of 60 cents seems in part due to expense management, which should bode well for future estimates," Catherine Arnold, an analyst for Credit Suisse, said in a research note.

Sales of Lyrica for neuropathic pain and fibromyalgia jumped 45 percent to \$675 million for the quarter.

Results were hurt by a 24 percent decline -- 49 percent in the United States -- in sales of Chantix to help smokers quit, which has been dogged by reports of psychiatric side effects. Results also were reduced by the loss this year of patent protection on allergy medicine Zyrtec and the cancer drug Camptosar.

Pfizer now expects by the end of the year to achieve cumulative cost cuts of \$2 billion compared with 2006, up \$300 million from its prior estimates.

The company narrowed its full-year adjusted profit per share forecast to \$2.36 to \$2.41, from its previous view of \$2.35 to \$2.45. That would reflect earnings growth of 7.2 percent to 9.5 percent over last year.

Pfizer shares closed unchanged at \$17.34 on the New York Stock Exchange. (Additional reporting by Lewis Krauskopf and Bill Berkrot in New York; Editing by Maureen Bavdek, Gerald E. McCormick and Carol Bishopric)

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#### **Associated Press**

**Drugmaker Pfizer posts big jump in 3Q profit due to charge a year ago, but sales are flat**  
**October 21, 2008**

**By LINDA A. JOHNSON**

TRENTON, N.J. (AP) - Pfizer Inc.'s profit tripled in the third quarter, mainly because a huge charge depressed last year's results, despite flat sales. Its earnings narrowly beat Wall Street's earnings expectations.

But the company behind impotence treatment Viagra and the top-selling cholesterol fighter Lipitor reduced its earnings forecast for 2008 even as it raised the lower end of its revenue forecasts for the year.

Its shares rose 65 cents to \$17.99 in premarket trading.

Pfizer said it earned \$2.3 billion, or 34 cents per share, in the July-September quarter, up from \$761 million, or 11 cents per share, a year ago.

Excluding one-time items, net income amounted to \$4.18 billion, or 62 cents a share -- 2 cents a share more than analysts surveyed by Thomson Reuters expected.

In the current quarter, the New York-based company took a charge of \$894 million, or \$640 million after taxes, for a settlement announced Friday to end most of the lawsuits over its withdrawn painkiller Bextra and another pain reliever still on the market, Celebrex.

A year ago, Pfizer took a \$2.1 billion after-tax charge in the third quarter, related to its decision to stop selling inhaled insulin product Exubera, which had dismal sales and then was linked to risk of lung cancer.

Pfizer said its revenues slipped to \$11.97 billion from \$11.99 billion a year ago, even though favorable exchange rates due to the weak dollar boosted sales by 5 percent. Analysts had been expecting revenues of \$12.01 billion.

Pfizer reported a 13 percent drop in U.S. sales of Lipitor. Total revenues from Lipitor, the top-selling drug in the world, were down 1 percent at \$3.14 billion.

The company said revenues for three drugs with recent generic competition -- blood-pressure medicine Norvasc, allergy drug Zyrtec and colon-cancer drug Camptosar -- fell by 48 percent, or a combined \$627 million.

Several other drugs sold well, however.

"We remain on track to meet our 2008 objectives, despite the turbulent global economy," Chief Executive Officer Jeff Kindler said in a statement.

The company noted it has cut annual costs by a total of \$1.7 billion from 2006 levels and now expects to get to \$2 billion in reductions by the end of this year. Those cuts include reducing the work force by 14,600 people since January 2007.

The company reduced its earnings per share forecast for 2008, to a range of \$1.61 to \$1.71, from \$1.73 to \$1.88. It also raised the lower end of its revenue forecasts for the year, from \$47 billion to \$48 billion, but kept the top end at \$49 billion.

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#### **MarketWatch.com**

#### **Pfizer's profit triples on accounting charges; Drug giant reports flat sales, narrows revenue forecast**

**October 21, 2008**

**By Val Brickates Kennedy**

BOSTON (MarketWatch) - Pfizer said early Tuesday that its third-quarter profit more than tripled year-over-year, due largely to steep charges taken during last year's period for the discontinuation of its inhaled insulin product Exubera.

For the quarter ended Sept. 30, Pfizer (PFE, US) posted net income of \$2.28 billion, or 34 cents a share. This compares to the \$761 million, or 11 cents a share, Pfizer reported for the 2007 period, which included an after-tax charge of \$2.1 billion related to Exubera's demise.

The company noted that earnings per share for the 2008 quarter also benefited from a stock buyback of about \$10 billion during 2007.

Excluding various charges, Pfizer would have reported adjusted earnings of 62 cents a share, compared with 58 cents for the same quarter a year ago. This year's quarter also reflected cost-savings from the company's massive restructuring plan.

The 2008 quarter was likewise punctuated with accounting items. Late last week, Pfizer said it would take a pre-tax charge of \$894 million, or \$640 million after taxes, on its third-quarter earnings for the planned settlement of the bulk of litigation associated with its painkillers Bextra and Celebrex.

Bextra was discontinued in 2005 over safety concerns. Celebrex was allowed to remain on the U.S. market after regulators determined it poses few, if any, health risks.

Sales for the pharmaceutical behemoth, however, came in largely flat with those of last year's at \$11.97 billion, with a favorable foreign exchange rate contributing about 5%.

Excluding about \$217 million related to product returns, Pfizer's adjusted revenue was \$12.16 billion.

For the 2007 period, Pfizer took in revenue of \$11.99 billion.

A recent poll of analysts by FactSet Research had Pfizer posting earnings per share of 60 cents, on revenue of \$12.02 billion.

#### Generic competition

Pfizer's flattish sales are due primarily to the loss of market exclusivity for several once-hot products as Norvasc, Zithromax and Zoloft over the past three years. In addition, Pfizer recently lost patent protection for the chemotherapy agent Campostar and allergy medication Zyrtec.

Adding to its woes, the company's smoking-cessation product Chantix, which had been expected to be a big seller, has faced weakened sales due to safety issues. Chantix sales dropped 24% during the quarter to \$182 million from last year.

Despite strains on its top line, Pfizer raised the lower end of its 2008 financial forecast. The drugmaker said it now sees revenues coming in between \$48.0 and \$49.0 billion, up from its previous range of \$47.0 to \$49.00 billion.

Sales of Pfizer's top-selling product, the cholesterol reducer Lipitor, slipped 1% to \$3.1 billion. The product has been facing increased competition from generic versions of such rival medications as Merck & Co.'s (MRK, US) Zocor. Lipitor itself loses patent protection in 2011.

According to a recent note by Deutsche Bank's Barbara Ryan, sales of Lipitor were seen as falling almost 4% to \$3.05 billion.

Pfizer said early Tuesday that its third-quarter profit more than tripled year-over-year, due largely to steep charges taken during last year's period for the discontinuation of its inhaled insulin product Exubera.

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#### ***The Wall Street Journal***

#### **Need a Tissue? Why aging is putting more people at risk for developing allergies -- and what you can do about it**

**October 18, 2008**

**By Kelly Greene**

Not everybody outgrows a stuffy nose.

Oren Cline, an 87-year-old retired accountant in Hickory, N.C., checks his computer every morning "to see what the pollen situation is for the next four days. When the pollen's bad, I don't go outdoors," he says. "My allergies have gotten worse as I've gotten older."

The traditional view that allergies and asthma wane with age is falling to the wayside. Allergies affect 17% to 20% of the U.S. population, and that proportion doesn't decrease with age. In fact, symptoms in many cases worsen, or erupt for the first time in later life, says Karen Calhoun, chairman of the University of Missouri School of Medicine's otolaryngology department in

Columbia, Mo. She is also president of the American Society of Geriatric Otolaryngology, a group formed two years ago, in part, to focus on the problem.

"We have patients come in all the time and say, 'How can I have allergies? I'm 65 years old, and I've never had allergies before,'" Dr. Calhoun says. "They hit a threshold where they can't ignore the symptoms anymore."

At the other extreme, some older patients fail to get treatment, chalking up their symptoms to "aging," says James Pacala, a geriatrician and associate professor at the University of Minnesota Medical School in Minneapolis. "It won't even occur to them that allergies might be the problem," Dr. Pacala says.

The reasons for an allergy flare-up in later life can include a move to a new part of the country, an accumulation of exposures in one location, changes in one's health, and genetics. "If you have one parent who's allergic, you have about a 40% chance of developing allergies; if you have two parents with allergies, there's a 60% chance," Dr. Calhoun says.

Relocating to a mild climate -- where pollen is prevalent nearly year round -- is a common trigger. It can take a few years for the body to build up what are called reactive cells to an irritant, but once that happens, flare-ups can start.

"I saw a lady yesterday who moved here from upstate New York, and her first complaint was allergies," says Jeff Williamson, head of geriatric medicine at Wake Forest University School of Medicine in Winston-Salem, N.C.

Sometimes, cutting back on travel can create a problem, too. Mr. Cline, the retired accountant in North Carolina, used to find relief for his allergies in Arizona, where he would head during the spring. But now he lives in an assisted-living apartment closer to family and relies instead on air filters and homeopathic remedies for relief.

Surprisingly, living amid a lifetime of possessions -- favorite books and furniture, for example -- can aggravate allergies to mold and dust. Doctors refer to it as the "lifetime load" theory. "With aging and allergies, one thought is that the sheer duration and breadth [of] stuff you get exposed to over life have a cumulative effect that winds up eventually sensitizing the body's immune system -- and creating an allergy you didn't have before," Dr. Pacala says.

Physiological changes in the body can unmask symptoms, too. The amount of water in the body generally decreases with age, which in turn decreases the action of tiny hairs, called cilia, in the nose that help wash it out. There's less blood flow to the nose as you get older, too, due to a variety of vascular conditions. "All of that ends up drying your passageways, producing more inflammation, and making you stuffy," Dr. Pacala says. Cumulative damage to the nose, including polyps and bent cartilage, contributes as well.

Scientists also are starting to look at the impact of menopause and hormone-replacement therapy. There's not much research yet, but a few studies point to hormone-replacement therapy as a factor in wheezing and asthma, in which the inflammation moves to the lungs. Hormone-replacement therapy was associated with asthma-like symptoms among women, particularly in those with a low body-mass index, according to study results published in the journal *Allergy* in January. A study two years ago of more than 2,000 Scandinavian women found that hormone-replacement therapy was associated with an increased risk for asthma, wheezing and hay fever.

Diagnosing allergies among older patients can be tricky. One problem has been the standard skin-prick test. "As people get older, their skin changes and is less reactive" to such testing, Dr. Calhoun says. She used a different form of testing -- an intradermal, or skin-puncture, test that goes deeper -- and found the incidence of allergies "almost exactly the same" among 100 people

over age 60 as it was among 200 people under age 45. "The older folks tended to be a little more allergic to mold, maybe because of longer exposure and older household goods," she says.

Another problem: Doctors simply don't think to ask older patients about allergies or postnasal drip, which could be chaining people to their homes and their tissues. To be fair, that's because physicians typically are busy treating acute health problems among older patients, such as heart disease. But treating allergies may have a bigger impact on a patient's lifestyle.

"Rhinitis is something that's frequently lower on a doctor's list than a patient's," Dr. Pacala says. "My father's 82, and he has developed this constantly runny nose, and it drives him crazy. You go out into the world, and you're constantly having to wipe your nose. It's a drag."

Doctors also find it difficult, at times, to sort out allergy symptoms from those indicative of other medical problems. "Breathing difficulties can indicate allergies, an infection, emphysema or pulmonary fibrosis, and all the heart problems that can cause breathing difficulties, like cardiac asthma or heart failure," Dr. Pacala says. "When a person comes to me with breathing complaints, I'm going to rule out the really bad things first, then go down the list. It can be very difficult to disentangle" allergies from asthma, he adds.

Medications, too, can trigger side effects that include nasal symptoms, breathing problems or a cough. ACE inhibitors -- commonly used to treat coronary disease, diabetes and high blood pressure -- can lead to a dry cough, Dr. Pacala says. And beta blockers, which "do really good things for the heart and blood pressure, tend to constrict the airways in the lungs," he adds.

So, what's the best way to deal with allergies in later life? First, actually deal with them. "It's easy enough to find out if you are or are not allergic," Dr. Calhoun says. "If you have symptoms, find out and do what you need to get better. There's no need to suffer."

Of course, that's easy to say and hard to do. One popular tool is a "neti pot," which "looks like an Aladdin lamp," Dr. Calhoun says. How it works: You pour saline in one side of the nose, and it comes out the other side. (YouTube has a number of entertaining videos that show how it's done.). "It's very effective," Dr. Calhoun says. "Let's say you're allergic to a particular mold. This one you're allergic to sticks to the mucus inside of the nose. If you can mechanically wash it away, it's not there anymore making your body react."

Another basic fix that can bring great relief: a humidifier, particularly in the winter. "I have patients who come in with problems every October or November when the heat comes on," says Dr. Pacala, who practices in Minnesota.

Trying over-the-counter medications may seem like the simplest fix, but they can cause a number of disconcerting -- and sometimes hazardous -- side effects. At Wake Forest, Dr. Williamson's patient, for example, was taking Tylenol PM to deal with her allergies at night. "The morning after, she was dizzy, and she's really thin, which puts her at high risk for falling," he says.

Watch out for first-generation antihistamines, such as diphenhydramine, the active ingredient in Benadryl, which can worsen memory conditions and cause confusion among people with mild Alzheimer's disease, as well as cause drowsiness, Dr. Pacala says. Alfa-adrenergic medications, such as Sudafed and Afrin nasal spray, shrink blood vessels to reduce stuffiness, but can exacerbate heart problems.

The two types of medicine are often combined in cold preparations. In a man with an enlarged prostate, the combination can relax the bladder and cause the sphincter to clamp shut. "The next thing you know, he's in the emergency room with acute urinary retention," Dr. Pacala says.

Fortunately, newer drugs with less dire side effects can help alleviate symptoms. Second-generation antihistamines, including Zyrtec, Allegra, Clarinex and Claritin, "don't cause confusion



or drowsiness as often," Dr. Pacala says. Nasal steroid sprays reduce inflammation, though they may take a while to start working. And there are other medications that "work at different spots of the process [in which] the allergen" triggers inflammation or irritation.

Scientists are experimenting with anti-inflammatory drugs as they look for common links among allergic reactions, coronary disease and other health problems in which inflammation plays a role.

Inhalers may work also, Dr. Pacala says, with nasal inhalers typically targeting seasonal allergies and oral inhalers targeting wheezing. "I've gotten burned a couple of times where I'm treating somebody for the wrong thing, and then I stick them on an inhaler and they get better."

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***The Wall Street Journal***

**Earnings Digest: J&J Profit Rises; Firm Boosts Its Forecast --- Sales of Consumer Products, Such as Listerine and Neutrogena, Offset Slow Prescription-Drug Business  
October 15, 2008**

**By Jonathan D. Rockoff**

Johnson & Johnson, shrugging off increased generic-drug competition and the recent financial-market turmoil, recorded a strong rise in third-quarter profit, thanks largely to results of its Listerine mouthwash, Neutrogena skin cream and other consumer products.

The New Brunswick, N.J., health-care conglomerate, the first major pharmaceutical company to announce quarterly results, reported a 30% increase in net income to profit to \$3.31 billion, or \$1.17 a share, from \$2.55 billion, or 88 cents a share, a year earlier when results were reduced by a \$528 million restructuring charge. Without the charge, the profit increase would have been 7.6% in the latest quarter.

Sales rose 6.4% to \$15.92 billion, bolstered by rising international revenue and the weak dollar. Third-quarter sales from outside the U.S. rose 13%, while domestic sales rose only 0.4%.

Analysts said J&J's results showed the advantages of a diversified health-care line. Revenue from consumer products rose 13% to \$4.1 billion. J&J singled out sales growth of Listerine and Neutrogena, Clean & Clear and Aveeno skin-care lines.

Listerine was included in J&J's 2006 acquisition of Pfizer Co.'s consumer-products business. Nonprescription allergy medicine Zyrtec -- also acquired from Pfizer -- helped to drive a 14% rise in revenue in J&J's over-the-counter and nutritionals unit to \$1.4 billion.

"The timing of taking on Pfizer's consumer business could not have been better," said Rick Wise, an analyst at Leerink Swann LLC.

Meanwhile, J&J Chief Financial Officer Dominic Caruso said the financial turmoil hadn't caused "any significant impact" and the company had good access to credit.

Shares in J&J stock rose \$1.32, or 2%, to \$64 in 4 p.m. composite trading on the New York Stock Exchange Tuesday.

Like other drug companies, J&J has struggled to replace sales lost when lucrative pharmaceuticals lose patent protection. The company's pharmaceutical business posted a slight revenue gain to \$6.1 billion, aided by international business and the lower dollar.

Sales of its Risperdal, an antipsychotic drug for which patent protection expired in June, plunged 62% to \$320 million. Sales of anemia drug Procrit, whose safety in certain patient populations has been scrutinized in the U.S. and Europe, dropped to \$619 million, a 9.2% decline.

Company officials noted that certain drugs performed well and they were on track to seek approval for between seven and 10 drug products through 2010.

"We're optimistic about our short- and long-term prospects," said Christine Poon, the head of the company's pharmaceutical division, who has announced she is retiring in March.

The company's medical-devices and diagnostics unit saw sales increase \$461 million to \$5.7 billion, even though revenue from the Cordis unit, which sells the Cypher drug-eluting stent, a heart-related device, fell 6.6% to \$726 million.

J&J boosted its full-year 2008 earnings forecast to a range of \$4.50 to \$4.53 a share, excluding one-time items, from a previous range of \$4.45 to \$4.50 a share.

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***The New York Times***

**Johnson & Johnson Posts Strong Results**

**October 15, 2008**

**By STEPHANIE SAUL**

Johnson & Johnson showed resilience Tuesday in the face of an economic downturn, posting higher third-quarter sales and earnings.

Because the large medical products company is more broadly diversified than many other drug and medical device makers, Johnson & Johnson's report is not necessarily considered a bellwether for the entire health care industry. Hospitals, for example, tend to be retrenching, squeezed by the credit crisis and concerns about patients' ability to pay their bills.

But health care products, like the artificial joints made by Johnson & Johnson's DePuy division, may be less subject to the economic winds buffeting most sectors of the economy.

"Everything we've seen so far has shown that health care has been pretty defensive and volumes have not been affected by the downturn in the economy," said David H. Roman, a medical devices analyst for Morgan Stanley.

For example, up to 70 percent of hip and knee replacements, a large part of the medical device industry, are performed on Medicare beneficiaries -- a group whose insurance coverage is guaranteed and who would be unlikely to delay surgery because of the economy. And, as Mr. Roman said, Medicare beneficiaries are growing in numbers.

Another medical products company, Abbott, is set to announce its earnings Wednesday morning. Many analysts predict those numbers will also be strong, largely because of the company's Xience drug-coated heart stent, a device that has become popular among interventional cardiologists, Mr. Roman said.

Xience's success is coming in part at the expense of Johnson & Johnson's Cypher stent, which is one of the rare devices in the company's portfolio that did not show solid growth.

In Johnson & Johnson's earnings call with analysts on Tuesday, Dominic J. Caruso, the chief financial officer, said that the company's access to commercial paper had been unfettered and available at what he called "very, very good" rates. That could bode well for other health products companies.

"That's important," said Ronny Gal, a pharmaceuticals analyst for Sanford C. Bernstein & Company. "The markets are not frozen for health care companies."

Mr. Gal said the news could mean that Teva, the Israeli maker of generic drugs, would have no problem completing its pending \$7.5 billion acquisition of Barr Laboratories, another generic maker. To finance that deal, Teva plans to raise more than \$2 billion, Mr. Gal said.

Johnson & Johnson announced sales of \$15.9 billion for the third quarter, up 6.4 percent from a year earlier. The company said it earned \$3.31 billion, or \$1.17 a share in the third quarter, compared with \$2.55 billion, or 88 cents a year earlier. Analysts surveyed by Thomson Financial had been expecting earnings of \$1.11 a share. Excluding special charges, the company's net earnings for the quarter increased 7.6 percent compared with last year's period.

Johnson & Johnson, based in New Brunswick, N.J., also raised its guidance for the year.. The company increased its earnings guidance for full-year 2008 to \$4.50 to \$4.53 a share. Its previous forecast ranged from \$4.45 to \$4.50 a share.

Johnson & Johnson's shares were up more than 2 percent Tuesday, closing at \$64.

The company said its results improved despite generic competition to its Duragesic painkiller patch and its schizophrenia medication Risperdal, as well as sales declines in Europe for its injectable anemia medication Epogen.

The company's acquisition in December 2006 of Pfizer's consumer products division -- which included the Listerine line of products -- seems to be a successful move, with the company citing strength in that part of its business.

Among strong sellers for Johnson & Johnson during the quarter was Zyrtec, an over-the-counter allergy treatment that the company introduced this year. Zyrtec was part of the Pfizer consumer products acquisition. Also in that acquisition was Listerine mouthwash, another strong seller.

Consumer products generally are steadier and less risky than pharmaceuticals, with lower research and development costs, fewer regulatory demands, lower litigation costs and less impact from generic competition.

Eli Lilly, for example, recently announced it would pay \$70 a share, or \$6.5 billion, for ImClone Systems, the maker of the cancer drug Erbitux. The price was considered high, but the move was thought to be critical to Lilly, which faces the loss of patent exclusivity on its best-selling Zyprexa schizophrenia drug in 2011.

Lilly "is between a rock and a hard place from the standpoint that it desperately needs to get new product into its portfolio," Dr. Timothy Anderson, another pharmaceutical analyst for Sanford C. Bernstein, wrote in a note to clients. Lilly reports its earnings on Oct. 23.

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**Cypress Pharmaceutical, Inc. Press Release**

**Cypress Pharmaceutical, Inc. receives FDA approval of Cetirizine Hydrochloride Oral Solution**

**October 15, 2008**

MADISON, Miss. - (BUSINESS WIRE) - Cypress Pharmaceutical, Inc., announced today that the U.S. Food and Drug Administration (FDA) has granted final approval of the company's abbreviated new drug application (ANDA) for the prescription and over-the-counter versions of Cetirizine Hydrochloride Oral Solution, 1 mg/1 mL.

Cypress' Cetirizine HCl Oral Solution is the AA-rated generic equivalent to McNeil Consumer Healthcare's Zyrtec(®) Oral Solution. The prescription version of Cetirizine HCl Oral Solution is used for the relief of symptoms associated with perennial allergic rhinitis in children 6 to 23 months of age, and for chronic urticaria (hives) in children 6 months to 5 years of age. The over-the-counter version of Cetirizine HCl Oral Solution is an antihistamine used for the relief of

sneezing, runny nose, itchy, watery eyes and itchy throat or nose due to indoor and outdoor allergies for individuals 2 years and older and for the relief of itching due to hives for individuals 6 years and older.

Cypress' Cetirizine HCl Oral Solution will be available through all the national drug wholesalers and chain drug stores and will begin shipping immediately.

About Cypress Pharmaceutical, Inc.

Cypress Pharmaceutical, Inc., founded in 1993, is a specialty pharmaceutical company that develops, markets and distributes generic prescription pharmaceutical products to leading national pharmaceutical wholesalers, chain drug stores, distributors, and other retail merchandisers. In 1999, Cypress established a specialty branded business, Hawthorn Pharmaceuticals, to market a line of internally developed pharmaceutical products directly to physician specialties through its nationwide sales force.

Cypress has an aggressive product development pipeline including new drug applications (NDAs) and abbreviated new drug applications (ANDAs) with over 35 products in various stages of development. Cypress currently has 13 submissions with the Food and Drug Administration (FDA) with up to 8 submissions expected to be filed in 2008.

Cypress and Hawthorn have successfully signed several in-licensing agreements with multinational companies in the past several years and will continue to utilize strategic alliances as part of its overall pharmaceutical pipeline.

Additional information about Cypress and Hawthorn is available at [www.cypressrx.com](http://www.cypressrx.com) and [www.hawthornrx.com](http://www.hawthornrx.com).

Cypress Pharmaceutical, Inc. Max Draughn, CEO/President, 800-856-4393

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**MarketScan.com**  
**Consumer Safety For J&J**  
**October 15, 2008**  
**By Carl Gutierrez**

Johnson & Johnson logged a healthy quarter thanks to its consumer business, which served as a counterbalance to sagging prescription drug sales.

Shares of the health-care company gained 2.1%, or \$1.32, to \$64.00, after its third-quarter results beat analysts' expectations. Chief Financial Officer Dominic Caruso said the recent difficult financial conditions have only affected small pockets of the company's broad-based business, such as sales of devices used in elective surgery.

The higher consumer and medical device sales, mainly overseas, overcame flat sales of prescription medicines, which edged up just 0.2%, to \$6.1 billion, and would have been down 2.5% if not for the favorable exchange rates.

"The pharmaceuticals sales are the leading indicator that we are in a full-blown recession," and other drugmakers are likely to have similarly disappointing results for prescription drugs, said analyst Steve Brozak of WBB Securities. "Thank God for their consumer business."

Johnson & Johnson's health-care peers started strong but fell off as the day wore on. (See "Stocks Droop At The Close.") Schering-Plough fell 1.3%, or 19 cents, to \$14.63; Abbott Laboratories gained 1.1%, or 57 cents, to \$54.78; and Boston Scientific lifted 0.9%, or 8 cents, to \$9.30. Amgen slipped 4.1%, or \$2.19, to \$51.61.

Johnson & Johnson's consumer product sales jumped 13.9%, to \$4.1 billion, from \$3.6 billion, thanks to the successful January launch of a nonprescription version of allergy drug Zyrtec, which already has about one-quarter of the market.

The New Brunswick, N.J.-based company reported earnings of \$3.3 billion, or \$1.17 per share, up from \$2.6 billion, or 88 cents per share, posted in last year's corresponding period. Sales rose to \$15.9 billion, from \$15.0 billion, for an increase of 10.4%, but 3.1% of the growth was due to a favorable currency exchange rate.

Analysts surveyed by Thomson Reuters expected earnings per share of \$1.11 and revenue of \$15.69 billion.

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### **AdAge**

#### **J&J buoyant amid storm**

**October 14, 2008**

But Johnson & Johnson made it look easy. In results announced today, J&J beat analyst earnings-per-share estimates by 6 cents at \$1.17 and delivered a surprisingly strong 6.4% increase in global sales to \$15.9 billion. U.S. sales grew only 0.4%, but were dragged down by patent expirations for key drugs.

J&J's consumer-products business posted a whopping 11.2% sales increase for the quarter -- better on an organic basis than the 8.2% sales increase outside the U.S. The consumer business, including such brands as Neutrogena, Aveeno, Listerine, Zyrtec and K-Y, accounts for more than 90% of J&J's annual \$1.4 billion in measured-media spending, according to TNS Media Intelligence data, even though it only accounts for less than a third of J&J's sales.

The over-the-counter conversion of allergy drug Zyrtec led the way for J&J, helping push OTC sales up 19% for the quarter. Skincare also did well, with sales up 15%, apparently helped by growth of Neutrogena's SkinID line, sold direct via infomercials and internet advertising. And J&J's women's health business also prospered, with U.S. sales up 10% behind strong results for K-Y's "His and Hers" lubricants, which weren't affected by hard economic times.

The quarter marks the second straight strong performance of J&J's consumer businesses, which have rebounded from a slow 2007 when they were hurt as the company integrated its acquisition of Pfizer consumer brands.

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### **TheMotleyFool.com**

#### **Johnson & Johnson, Heal Thyself**

**October 14, 2008**

**By Brian Orelli**

As I pointed out yesterday, diversification is one of Johnson & Johnson's (NYSE: JNJ) strengths. According to its latest earnings report, successes in two of the health-care giant's divisions -- consumer goods and medical devices -- compensated for flat drug sales in the recently concluded third quarter.

Consumer sales, including over-the-counter drugs and baby-care products -- you know, stuff people can't live without even in hard economic times -- jumped 13% year over year. Zyrtec, which J&J purchased from Pfizer (NYSE: PFE) after its patent ran out, was one of the big over-the-counter boosters for the division.

Sales of J&J's Cypher drug-eluting stent plunged by 23%, and estimates of its market share got slashed in half, after rivals from Abbott Labs (NYSE: ABT) and Medtronic (NYSE: MDT) entered the U.S. market. Nonetheless, Johnson & Johnson's medical devices saw an almost 9% year-over-year increase in sales overall.

On the drug side, things looked far less rosy. Global pharmaceutical sales were flat, with the U.S. figure down 6%. Sales of antipsychotic Risperdal plunged after generic competition from Teva Pharmaceuticals (Nasdaq: TEVA) arrived this quarter. Duragesic, another product that lost U.S. patent protection, saw sales fall 16%. Anemia treatment Procrit also kept dropping, but its less-than-4% decline compared to the previous quarter suggests that it may be reaching the bottom. That bodes well for Johnson & Johnson and Amgen (Nasdaq: AMGN), the other major anti-anemia drugmaker.

Pharmaceutical sales weren't a complete downer. Anti-inflammatory Remicade saw sales jump 19%, including a 16% boost internationally thanks to marketing partner Schering-Plough (NYSE: SGP). Migraine treatment Topamax also saw a nice 19% jump in sales, although it will lose marketing exclusivity in March 2009. In short, with so many drugs already off-patent or swiftly headed that way, don't expect a turnaround in pharmaceutical sales anytime soon.

Overall revenue was up 6.4%, split almost equally between organic growth and differences in currency exchange rates. Most of the growth came from outside the U.S., where sales were up 13% -- again, split almost evenly between currency impact and actual growth.

The bottom line looked even better. J&J's \$1.17 per share in earnings this quarter was 10% higher year over year, after adjusting for last-year's restructuring charge. That figure got a slight boost from a lower overall share count; Johnson & Johnson has repurchased \$7.4 billion worth of shares since August of last year.

However much the world may panic, Johnson & Johnson's diversity, combined with its non-discretionary products, make it a real long-term winner.

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**Associated Press** (picked up by The Star-Ledger Online)

**Health care giant Johnson & Johnson sees 30 percent 3Q profit jump, beating expectations**

**October 14, 2008**

**By LINDA A. JOHNSON**

TRENTON, N.J. (AP) - Health care giant Johnson & Johnson on Tuesday posted a 30 percent jump in third-quarter profit and beat Wall Street expectations, mainly because the year-ago results were weighed down by a \$745 million restructuring charge.

Higher sales of consumer products and medical devices, boosted overseas by the weak dollar, also helped the New Brunswick, N.J.-based maker of contraceptives, baby care items, medical devices and prescription drugs. It reported net income of \$3.31 billion, or \$1.17 per share, up from \$2.55 billion, or 88 cents per share, in the year-ago period.

Revenue climbed 6.3 percent, to \$15.9 billion from \$14.97 billion, but was boosted 3.1 percent by favorable currency exchange rates.

Analysts surveyed by Thomson Reuters expected earnings per share of \$1.11 and revenue of \$15.69 billion.

Prescription drug sales were flat at \$6.1 billion and would have been down 2.5 percent if not for favorable exchange rates. They were hurt by generic competition for pain patch Duragesic and the pill version of Risperdal, whose sales were down 63 percent. The long-acting injected version of the schizophrenia drug, Risperdal Consta, still has patent protection and its sales increased 10 percent to \$338 million.

Three other drug franchises out of the 11 J&J reports saw sales decline: antibiotic Levaquin, heartburn treatment Aciphex and anemia drug Procrit. Epilepsy drug Topamax, Remicade for

arthritis and other immune disorders, attention deficit disorder pill Concerta and cancer drug Velcade all saw double-digit sales increases.

"Now's a very difficult time for J&J," although it has robust cash flow, said Krensavage Partners money manager Mike Krensavage, who owns J&J shares. "It's facing some significant headwinds" from looming generic competition, he said, but could resume growth of drugs in spring of 2010.

Company executives attempted to reassure investors with a detailed update on J&J's drug pipeline, saying it is the most robust in company history and that J&J is on track to seek approval for seven to 10 new drugs from 2008 through 2010.

"I don't see any blockbusters" in the pipeline, said analyst Steve Brozak of WBB Securities.

"The pharmaceuticals sales are the leading indicator that we are in a full-blown recession," and other drugmakers are likely to have similarly disappointing results for prescription drugs, he said. "Thank God for their consumer business."

Consumer product sales jumped 13 percent to \$4.1 billion. They were driven by the successful January launch of a nonprescription version of allergy drug Zyrtec, which already has about one-quarter of the market, plus women's health and skin-care products, including a moisturizer line from a Chinese company acquired this year.

Revenue from medical devices and diagnostics increased 8.8 percent to \$5.7 billion, on higher sales of Acuvue contact lenses, products for obesity surgery, joint replacement parts and the One-Touch Ultra diabetes testing system.

Most of the segment is strong and J&J "is spread out well," said medical device analyst Venkat Rajan at consultants Frost & Sullivan. He said the Cordis cardiac device business has been slowed by what he sees as a temporary decrease in the market for artery-opening stents, but when growth resumes, Cordis will be at a disadvantage to competitors with newer products than its Cypher stent.

The company's chief financial officer, Dominic Caruso, told analysts that recent difficult economic conditions have only affected small pockets of J&J's broad-based business, such as sales of devices used in elective surgery.

He said J&J has had no exposure to the subprime market or financial companies that have collapsed, still has ready access to short-term loans at "very attractive rates," and recently renewed lines of credit, although it has not had to use them as cash flow remains strong.

Caruso warned the strengthening dollar could reduce fourth-quarter revenue and said J&J raised its full-year profit forecast mainly due to the federal government reinstating a tax credit for research and development. For all of 2008, J&J now expects earnings of \$4.50 to \$4.53 per share, excluding one-time items, up from \$4.45 to \$4.50 a share last quarter.

For the first nine months, net income jumped 25 percent, to \$10.24 billion, or \$3.60 per share, up from \$8.2 billion, or \$2.81 per share. Revenue was up 7.6 percent, to \$48.57 billion from \$45.14 billion.

J&J shares gained \$1.32, or 2.1 percent, to close at \$64.

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**Dow Jones  
Johnson & Johnson 3Q Sales \$15.92B  
October 14, 2008**

Johnson & Johnson (JNJ) posted a 30% rise in third-quarter net income, as strong consumer-products and medical-devices sales offset the impact of stepped-up competition from generic-drug makers.

The maker of Tylenol pain reliever, Band-Aid bandages and anemia drug Procrit also raised its 2008 earnings forecast.

The company reported net income of \$3.31 billion, or \$1.17 a share, up from \$2.55 billion, or 88 cents a share, a year earlier.

Excluding an 18-cent restructuring charge in the year-ago period, earnings rose to \$1.17 a share from \$1.06 a share.

Revenue rose 6.4% to \$15.92 billion, with 3.1 percentage points of the gain coming from the weaker dollar.

On average, analysts polled by Thomson Reuters had expected earnings of \$1.11 a share on revenue of \$15.7 billion.

Gross margin fell to 70% from 71.5%.

In recent premarket trading, shares were up 3.7% at \$64.98.

J&J and other big U.S. drug makers continue to be hurt by increased generic competition and heightened regulatory scrutiny of drug safety. Companies have responded by cutting costs - including layoffs and plant closings - and doing deals to beef up their research pipelines.

International sales rose 13.1% amid the weaker dollar, while U.S. sales edged up 0.4%. Worldwide sales of inflammatory-disease treatment Remicade rose 19.4% as sales of Procrit fell 9.2%.

J&J's consumer segment's newfound strength, thanks to sales of an over-the-counter version of allergy drug Zyrtec, has been helping to offset weakness in J&J's pharmaceutical unit. In the quarter, consumer-product sales rose 13%. Pharmaceuticals inched up 0.2%. Sales of its antipsychotic drug Risperdal, which lost patent protection in late June, plunged 61.5% amid competition from generic rivals.

Medical-devices sales rose 8.8%, or 5.6% excluding the foreign-exchange impact.

J&J raised its 2008 forecast to a range of \$4.50 to \$4.53 a share from its July-boosted forecast of \$4.45 to \$4.50 a share. Analysts recently were looking for \$4.51 a share on revenue of \$64.79 billion.

-By Mike Barris, Dow Jones Newswires; 201-938-5658; mike.barris@dowjones.com [ 10-14-08 0821ET ]

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**Bloomberg.com**  
**J&J Profit Leaps as Consumer Products Weather Crisis**  
**October 14, 2008**  
**By Alex Nussbaum and Shannon Pettypiece**

Oct. 14 (Bloomberg) -- Johnson & Johnson's third-quarter profit rose 30 percent, driven by sales of products such as painkillers, contact lenses and allergy pills that remain on consumer shopping lists even in an economic crisis.



Net income for the world's largest maker of health-care products climbed to \$3.31 billion, or \$1.17 a share, from \$2.55 billion, or 88 cents, a year earlier, the New Brunswick, New Jersey-based company said today in a statement on PR Newswire. Earnings excluding some items beat by six cents the \$1.11 average estimate of 15 analysts surveyed by Bloomberg.

Revenue rose 6.4 percent to \$15.9 billion. J&J's consumer products unit, which makes Zyrtec allergy pills, Listerine mouthwash and diabetes test-strips, helped the company offset losses for top-selling prescription drugs like Risperdal, the antipsychotic that faced its first competition from low-cost generic copies in June.

``As safe havens go, you don't get a whole lot safer" than J&J, said Les Funtleyder, an analyst for Miller Tabak & Co. in New York, in a telephone interview before today's announcement. ``It is companies like Johnson & Johnson that are going to lead us out of this crisis."

J&J rose 4.7 percent to \$65.60 at 7:59 a.m. in trading before the New York Stock Exchange opened. The stock fell 4.9 percent in the 12 months before today.

The company raised its 2008 earnings forecast to \$4.50 to \$4.53 a share from \$4.45 to \$4.50.

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Last Updated: October 14, 2008 08:08 EDT

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**The Times-Journal Online (AL)**  
**Fall allergies on the rise**  
**October 13, 2008**  
**By Lindsay Slater**

It seems, the sniffing and sneezing never ends for people in DeKalb County.

The spring brings watery eyes and runny noses. The summer it continues. And now, in the fall, there is little break for people suffering from allergies.

Autumn brings cooler temperatures and more outdoor activities, so people are exposed to allergens more often. Most suffer from seasonal allergies and others suffer from persistent allergies, which commonly run through spring and fall.

John Posey, a nurse at Rapid Care in Fort Payne, said there is a rise in patients with allergy problems.

"We see about 100 patients a day on average and about 70-80 percent is allergy related illness," said Posey.

And Posey says it's all because of the weather.

"The change in weather this time of year is the biggest contributor to allergies," Posey said. "The extreme change in humidity and temperature bring on a flurry of allergens such as ragweed, dust and mold."

Posey also said with flu season on the horizon, the trend will continue.

"It's time for flu season and this is the time of year when allergies really start taking a toll on everyone," said Posey.

But, there is help.

Posey said over-the-counter antihistamines will help considerably.

Miranda Chambers, pharmacist with C&H Drugs, said that Zyrtec is an excellent allergy medication.

"Zyrtec is one of the top-sellers here and it's a big thing that it's now available over the counter and it's affordable. It was one of the biggest prescriptions that we would see," Chambers said.

Believe it or not, diet and rest can play a key role, as well.

"Proper diet is very important and increased fluid intake will help to keep sinus drainage, which can cause sore throats and upset stomachs, to a minimum," said Posey.

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**Investor's Business Daily Online**  
**Consumer Unit Vulnerable, But J&J Still Fortified**  
**October 13, 2008**  
**BY JUAN CARLOS ARANCIBIA**

From baby shampoo to Band-Aids to Tylenol, Johnson & Johnson (JNJ) makes dozens of personal and health care products that have become, literally, household names.

But the company is also a leading drug maker, with treatments for epilepsy, arthritis, schizophrenia and other ailments. It's making inroads in HIV/AIDS treatments.

The December 2006 acquisition of Pfizer's (PFE) health care unit practically doubled J&J's consumer business. The deal brought to J&J, among other things, the top-selling over-the-counter allergy medication, Zyrtec.

"J&J's very strong financial position and anti-cyclical and diverse product mix should provide thick insulation against a prolonged economic downturn," said a Zacks Equity Research report released Friday.

True, J&J's consumer division, which accounted for 24% of sales last year, is vulnerable to an economic slump, Zacks said. But that exposure is partially offset by its drugs and medical products units.

J&J has the highest-possible credit rating, and \$13 billion in cash with \$5 billion of short-term financing.

It has hiked its dividend for 46 straight years, most recently in April.

J&J, the world's largest medical device manufacturer, has a 3.3% dividend yield. That ranks it 21st among the 72 health care stocks in IBD's database that pay a dividend.

Traditionally, the company's earnings are unimpressive, with a five-year EPS growth rate of 12%.

Quarterly operating earnings rose 7%, 8%, 9%, 9% and 12% in the past five quarters.

Sales grew 13% in Q2 and Q3 of 2007, then 17%, 8% and 9% over the next three periods.

After-tax profit margins have topped 20% for eight of the past 10 quarters.

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**HealthNews.com**  
**Health News Dozen: Top 12 Allergy Capitals of America**  
**By Jennifer Newell**

**October 8, 2008**

- 1) Greensboro, North Carolina
- 2) Greenville, South Carolina
- 3) Little Rock, Arkansas
- 4) Raleigh-Durham, North Carolina
- 5) Jackson, Mississippi
- 6) Knoxville, Tennessee
- 7) Grand Rapids, Michigan
- 8) Wichita, Kansas
- 9) Oklahoma City, Oklahoma
- 10) Madison, Wisconsin
- 11) Tulsa, Oklahoma
- 12) Chattanooga, Tennessee

Indoor and outdoor respiratory allergies affect more than 35 million Americans. If you don't suffer from allergies, you likely know someone who does. And depending on the season of the year and the city in which you live, those sneezes and sniffles that accompany allergies could be more frequent than others.

For those unaffected by allergies, it might seem to be a minor problem, something that brings with it a few cold symptoms and goes away with the changing of the season. But those affected know that it is much more serious. Of the 35 million people affected by respiratory allergies, according to a Kelton research survey cited by the Asthma and Allergy Foundation of America (AAFA), 50 percent of allergy sufferers in the U.S. along indicate that symptoms negatively affect their work. In addition, nearly 27 percent have missed an important event, and approximately 20 percent were prohibited from having a house pet because of those allergies.

Since many allergies are spurred by environment, such as the pollen concentrations in the air, the city in which one lives affects the severity and frequency of allergy symptoms. Most allergies become most severe in the fall, though springtime is particularly difficult for some. With the onset of fall, the Asthma and Allergy Foundation conducted its 2008 Fall Allergy Capitals™ list that ranks the 100 most challenging cities for people with upper respiratory allergies.

There were three primary factors used to rank the metropolitan areas surveyed for the scientific analysis: pollen scores, number of allergy medications used per patient, and number of allergy specialists per patient. This indicates that only people who have seen medical professionals for diagnosis and treatment of allergy symptoms were included in the survey, which means that many lower income people or those without insurance or access to health care professionals could boost the score of some cities even more.

Topping the list are the Carolinas, with Greensboro, North Carolina in the top spot, followed by Greenville, South Carolina and Raleigh-Durham, North Carolina in fourth place. Nine of the top twelve cities are located in the Southeast section of the United States, which is likely due to an abundance of trees and plants in those areas of the country that boasts of more rural neighborhoods, as well as the higher humidity level in those cities.

Mike Tringale, Director of External Affairs at AAFA, noted the significance of the survey, "Whether a city is ranked number 100 on the Allergy Capitals list or number one, it's essential for allergy sufferers to take the appropriate steps to manage their allergies. Allergy sufferers should know what allergens trigger their symptoms and, if appropriate, manage them by taking a medication like ZYRTEC® that can alleviate both outdoor and indoor allergies." (Author note: ZYRTEC was the primary sponsor of the survey.)

Typically, allergies are a body's natural reaction to allergens in the area, like ragweed and pollen, though many other factors trigger allergies as well. Dust mites and mold spores in the home, as

well as pet dander, can dramatically affect a person's allergy symptoms, which can include itchy eyes, nose or throat, nasal congestion, runny nose, and watery eyes.

In order to help control those symptoms, there are several things that can be done. Outdoor allergies can be mitigated, at least to some degree, by staying indoors when pollen counts, wind, and humidity are especially high, and when indoors or inside a vehicle, keep windows closed. After spending necessary time outdoors, showering is sometimes helpful.

To control indoor allergies, cleaning is the key. Washing bedding and towels often, dusting surfaces, vacuuming, and maintaining a clean air conditioning filter can alleviate symptoms. If the cleaning process increases symptoms, wear a mask when doing so. And if pets are a necessary part of the family but spur more allergy symptoms, keeping the furry friends out of the bedroom may help.

The best advice, by far, is to seek the consultation of a health care professional to properly diagnose one's allergies. Medical advice will be key to controlling symptoms, even with medication if necessary, in order to maintain a more allergy-free existence.

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### **Grand Junction Sentinel**

#### **Cooler weather about all that brings relief to some allergy sufferers**

**October 6, 2008**

**By MELINDA MAWDSLEY**

Kathy Malvern loves sitting on her back patio and enjoying unobstructed views of Colorado National Monument. Too bad she rarely gets to be outside.

Malvern is allergic to "just about everything outside in Grand Junction."

Every individual allergic to something reacts in different ways, said allergist Dr. William Scott with Allergy and Asthma Clinic of Western Colorado, 1120 Wellington Ave.

Itchy, watery eyes and runny nose are only part of the problem for Malvern. Her allergic reactions become respiratory, creating potentially dangerous breathing issues.

For those suffering from fall allergies to things such as sagebrush, Kochia weed and other grasses, the good news is the season is nearly over as temperatures continue to drop, Scott said.

The bad news is allergies typically return annually, and spring is the busiest time of the year at Scott's office.

Scott made several suggestions for those fighting allergies in the Grand Valley.

First, try over-the-counter medications to clear up symptoms. Claritin and Zyrtec are two that often work, Scott said. Claritin is weaker than Zyrtec, he added.

Claritin and Zyrtec used to be available by prescription only, but after the drug makers lost their patent several years ago, generic brands were manufactured and placed on store shelves.

Loratadine is the generic form of Claritin. Cetirizine is the generic form of Zyrtec.

When buying over-the-counter drugs, Scott tells his patients to avoid medications with pseudoephedrine. Sudafed and Claritin-D are examples of decongestants with pseudoephedrine.

Pseudoephedrine is used

in the production of methamphetamine, which is why a person who buys drugs with the ingredient has to fill out a form with a pharmacist.

Pseudoephedrine constricts the blood vessels in the nose, which is how it acts as a decongestant, but the drug also constricts other blood vessels in the body, which is why Scott advises using the drug minimally or not at all, even for colds or sinus problems.

"It's a powerful drug, and I think it's a lousy drug," he said.

Scott suggested a person use nasal steroids available from a physician.

He also said allergy eye drops such as Zaditor are effective. Zaditor is available over-the-counter.

Allergy shots are a last resort, Scott said.

Malvern said she will resume her shots this winter.

Her husband, Mike Malvern, also receives allergy shots after developing allergies in recent years. The Malverns are in their 50s.

Scott said it's not uncommon for people to develop allergies later in life or even after moving from one climate to another.

A person from the Midwest who moves to the Grand Valley could develop an allergy to sagebrush and other plants not found in the Midwest, Scott said.

The topography of the Grand Valley also creates additional problems for allergy sufferers because the wind can carry pollens or grasses for miles, he said.

When allergens get into the valley, they can't get over Grand Mesa, so they settle into the valley, he said.

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#### **Reuters**

#### **Walgreen, Rite Aid September same-store sales up October 2, 2008**

CHICAGO (Reuters) - Walgreen Co and Rite Aid Corp on Thursday said September sales at stores open a least a year rose, driven by strong sales of over-the-counter allergy medicine and other items.

However, Rite Aid's total sales fell as it worked on improving results at the Brooks and Eckerd stores it acquired in June 2007.

At Walgreen, same-store sales rose 4.7 percent and pharmacy same-store sales rose 6.5 percent. At Rite Aid, same-store sales rose 1.7 percent and pharmacy same-store sales rose 1 percent.

Walgreen, which has more U.S. drugstores than any other chain, said generic drug introductions in the past year cut its pharmacy same-store sales by 2.4 percentage points. Rite Aid said generic introductions cut its pharmacy same-store sales by about 2.6 percentage points. Generic drugs cost less, lowering sales figures, but are more profitable for drugstores.

The number of prescriptions filled at Walgreen stores open at least a year rose 3.5 percent. Walgreen said customers fill more prescriptions on weekdays than weekends, and this September had two more weekdays than September 2007.

Walgreen said Hurricanes Gustav and Ike cut the amount of prescriptions filled by 0.9 percentage points as hundreds of stores were impacted by the storms.

The move of Johnson & Johnson's Zyrtec allergy medication to over-the-counter status from prescription cut the number of prescriptions filled at Walgreen by 0.6 percentage points, but general merchandise sales got a boost of the same amount from that switch.

Walgreen's sales of general merchandise, or front-end sales, at stores open at least a year rose 1.3 percent, aided by sales of food and beauty items.

At Rite Aid, the third-largest U.S. drugstore chain behind Walgreen and CVS Caremark Corp, same-store sales of general merchandise rose 3.4 percent in the four weeks ended Sept. 27.

Excluding the acquired Brooks and Eckerd stores, same-store sales rose 3.2 percent, front-end same-store sales rose 3.1 percent and pharmacy same-store sales climbed 3.3 percent, Rite Aid said.

Walgreen's total sales for the month rose 10 percent to \$4.85 billion. Rite Aid's total sales fell 0.8 percent to \$1.97 billion.

Pharmacy sales accounted for 67.2 percent of total sales at Walgreen and 67.9 percent of total sales at Rite Aid.

As of Sept. 30, Walgreen had 6,479 drugstores. Rite Aid had 4,922 stores as of Sept. 27.

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#### **Associated Press**

#### **Walgreen same-store sales rise 4.7 percent in September October 2, 2008**

DEERFIELD, Ill. (AP) - Drug-store operator Walgreen Co. said Thursday that same-store sales rose 4.7 percent in September.

Non-pharmacy same-store sales rose 1.3 percent, helped by sales of food and beauty items. Pharmacy same-store sales rose 6.5 percent.

Same-store sales, or sales at stores open at least a year, is a key measure of retailer performance, because it measures growth at existing stores rather than from newly opened ones.

Total sales for the month rose 10 percent to \$4.85 billion.

Total prescriptions filled at stores open at least one year rose 3.5 percent.

The number of prescriptions filled was hurt by 0.9 percentage points due to Hurricanes Gustav and Ike and by 0.6 percentage points due to the switch of allergy medication Zyrtec to over-the-counter status.

Year-to-date, total sales rose 9.9 percent to \$44.35 billion.

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#### **Lake Norman Navigator (Statesville, NC)**

#### **Allergy sufferers may often mistake symptoms, use ineffective treatments October 2, 2008**

**By Megan Sprague**

Allergy Nurse Practitioner Fred New understands how miserable people can be during this season. He sees their suffering on a daily basis as director of Allergy Services at Lake Norman Ears, Nose and Throat.

And fall is one of their busiest seasons.

"Nearly half of all Americans suffer from some type of seasonal allergy and many allergy sufferers have no idea that their symptoms are allergy related, so they go undiagnosed. Most simply think that they are suffering from a seasonal cold due to a change in the weather."

How do you know if it's more than just the sniffles?

Itchy, watery eyes, chronic cough, sore throat, and difficulty breathing are some of the symptoms.

"Runny or congested nasal passages, chronic sinus infections, post-nasal drip and sneezing are also symptoms," New explained. "On the skin, we can have hives, itchy skin and rashes. Many allergy sufferers will also list headaches or sinus pressure as one of their symptoms. For many of these multi-season allergy sufferers, medications alone are not going to get them the allergy relief that they desire."

New recommends that allergy sufferers not try to go it alone.

"Examination of the allergy sufferer usually shows pale and swollen nasal passage tissue while the patient with a sinus infection will have very red and swollen nasal passage tissue," he said. "These are just two of the many differentiating symptoms between allergic rhinitis and a sinus infection."

Determining whether you are suffering from sinus trouble and allergies is important because they are treated in different ways.

"In most cases, a sinus infection has started out as a viral infection and will usually clear up on its own," New said. "However, if the symptoms have persisted over a period greater than a week, then antibiotics are usually needed as the infection has probably become bacterial in nature."

Treatment options for allergies include "a combination of nasal steroid sprays, antihistamines, and in some cases, leukotriene modifiers will usually provide partial to complete relief from their allergy symptoms, New said.

"Claritin and Zyrtec are two very effective over-the-counter antihistamines," he added. "For the allergy sufferer who does not get relief from medications or is not satisfied with their relief, immunotherapy, or allergy shots and/or drops, is the next option."

But how do you tell the difference between a sinus infection and allergies?

"There are several things you need to consider," New said. "Do your symptoms usually occur at the same time of the year? Is the season changing? Is there a family history of allergies or asthma? If the answers to the above questions are yes, then, most likely, you have seasonal allergies.

If your symptoms are progressively getting worse, you are developing a fever or chills, or have facial pain or upper teeth pain, it is very possible you have a sinus infection.

Medicines aren't the only way to alleviate the painful symptoms of allergies.

"Doing things around your home can greatly reduce your allergy symptoms," New said. Things like minimizing the amount of dust in the house will greatly reduce symptoms such as sneezing. Vacuuming with a vacuum cleaner that has a HEPA filter will trap many indoor allergens and keep them from circulating in the air. Air filters for your heating and air system designed for the allergy sufferer are also a quick and easy way to reduce indoor allergens.

"Other options to consider are air purifiers, dust mite covers, special detergents designed for allergy sufferers and keeping pets out of the bedroom," he continued.

Adults aren't the only ones that can feel a little under the weather this time of year, but many parents question how early they can treat their youngsters.

"Allergies can develop at practically any age," New said. "Most allergy sufferers will start to show signs in adolescence, but can start much earlier. Infants and toddlers under the age of 2 are more often exhibiting food hypersensitivity than a true pollen allergy."

As the child ages and has more exposures, pollens become a factor, and by age 6, allergies are considered to be present if the child remains symptomatic, he explained.

"Having said that, children under the age of 6 who are symptomatic or have a family history of allergies should be evaluated," New added.

Whether it's sinus problems or allergies, only a doctor can tell you for sure what the best course of action is.

"With a diagnosis, proper treatment can quickly get you feeling better and enjoying the outdoors again."

**What are allergies?**

Allergies are the immune system's exaggerated response to a foreign substance. Normally harmless substances, such as pollen, cause the immune system to react as if the substance is harmful. Substances that cause allergies are called allergens.

**What are the symptoms of allergies?**

- Mild reactions include symptoms affecting a specific area of the body such as a rash, hives and watery eyes.
- Moderate reactions include symptoms that spread to other parts of the body. Symptoms include itchiness, hives and difficulty breathing.
- Severe reactions, known as anaphylaxis, are life-threatening reactions in which the body's response to an allergen is sudden and affects the entire body, including swelling of the throat, cramps and confusion or dizziness.

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**Cox News Service**

**For autumn's allergy sufferers, how to keep wads of tissue from piling up like so many fallen leaves**

**September 30, 2008**

**By HELENA OLIVIERO**

**(picked up by *Fort Worth Star Telegram* and *Kansas City Star*)**

Cool, breezy days of autumn invite you to go outside — or at least to open your windows.

But for Dr. Robert Bachman, a fall allergy sufferer, it's time to hunker down.



"It could be a perfectly nice day to go outdoors and I think, 'No. Not going to do it,' " said Bachman, an orthopedic surgeon.

He gets allergy shots and takes over-the-counter medication to help manage the symptoms. But he still must be diligent to avoid breathing in fall's pesky allergens — primarily ragweed and mold spores. Ragweed is a hardy green plant, prevalent at parks and construction sites, that allergy sufferers are particularly sensitive to.

This year, North Texas allergy sufferers are sniffing and sneezing a little more, thanks to Hurricane Ike, which blew a storm of ragweed into the area — 860 grains per cubic meter at one point; more than 500 grains is considered a high count.

And there's another culprit: Russian thistle, which usually goes by a name more familiar to Texans: tumbleweeds. It hits allergy sufferers hard in the fall when the flower pollinates.

Autumn allergens usually don't rival the spring pollen counts. They also don't hang around very long.

But they carry a punch and can make your eyes red, your throat scratchy, your nose runny.

In fact, the symptoms sometimes get mistaken for a cold. But there are differences.

"A cold will go away, but allergies tend to persist week after week," said Dr. George Gottlieb, an allergist.

Here are some things to know if you suffer from fall allergies — or if you're not sure — and tips for making your environment as allergen-free as possible

5 signs it's time to see an allergist or ear, nose and throat specialist

Wheezing

Persistent coughing (lasting more than a week)

Discolored sinus discharge (lasting more than a week)

You breathe with your mouth open at night while sleeping (a sign your nose is really blocked).

You've tried over-the-counter medication for a week and symptoms haven't improved.

Keep allergy attacks at bay

Keep windows closed to prevent pollen and mold from drifting into your home. Instead, use air conditioning, which cleans, cools and dries the air.

Don't use attic fans that circulate fresh air.

Stay inside as much as possible on windy days, when pollen counts are highest.

Don't rake leaves, as this stirs up mold.

Wear a mask when doing yardwork or mowing the lawn.

Exercise indoors.

If you are allergic to mold, don't grow too many indoor plants; if you have indoor plants, don't overwater them. Wet soil encourages mold growth.

Consider taking over-the-counter allergy treatments, such as Claritin or Zyrtec.

Allergen war indoors aids in fight outdoors

While it's hard to dodge pollens and molds outdoors, seasonal patients will suffer less if they control their exposure to allergens indoors, advises Dr. Kingsley Chin of Piedmont Ear, Nose, Throat and Related Allergy in Georgia.

The bedroom is the particular battleground where Chin encourages patients to focus on "environmental control," since that's where most people spend a third of their lives. If you can make your bedroom as free of allergens as possible, then those eight hours of sleep give your system a chance to recover, leaving you in better shape to ward off outdoor enemies the next day.

Here are some of Chin's suggestions for controlling allergens indoors:

If you've been outside a lot during the day, pollen is on your body and clothes. Don't bring it into the bedroom. Upon arriving home, immediately take a shower and change clothes.

Use allergy covers over pillows and mattresses. These zippable and washable covers trap dust mites, microscopic critters who live in mattresses and pillows by the millions and whose droppings trigger allergies.

Wash all bed coverings weekly in hot water, which kills dust mites.

Purchase a HEPA filter, which can significantly reduce allergens. A HEPA filter should exchange the air in a bedroom about six times an hour, so keep it going on high even when the room is unoccupied, and keep the door and windows closed. It can run at a quieter level when it's sleep time.

Remove carpets and drapes (or wash the latter frequently in hot water).

Don't allow books, magazines and papers to stack up, because they accumulate dust.

Try to keep the humidity level in the house below 50 percent, as moisture encourages the growth of dust mites and molds.

Leave a light on in bedroom closets or keep the doors open to discourage mold.

Sorry Bowser and Miss Kitty, no more sleeping with your master.

Staff writer Jan Jarvis contributed to this report, which includes material from Star-Telegram archives.

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**Chester Daily Local Online**  
**'Leaves of three ... '**  
**September 29, 2008**  
**By Tara Munkatchy**

Although the old expression "leaves of three, leave them be" is good advice, in that poison ivy has three leaves, keep in mind that poison oak has three to five and sumac has seven to 13.

Red, itchy and unexpected, the rash resulting from a poison ivy encounter can irritate a person in more than one way. Although the vine can often creep into your yard or garden seemingly without warning, identifying and avoiding areas where poison ivy rambles is a good first step toward rash prevention.

Common to Chester County, poison ivy is a woody vine, not an ivy plant, explained Glenn Nelson Jr., education coordinator for the Chester County Parks and Recreation Department in West Goshen.

"The common name comes from the ability to produce a skin irritant that causes a rash (poison) and it looks like ivy," he said. Poison ivy typically grows along edges, transition areas between woods and fields or paths, he explained. "The plant grows in a variety of ways and adapts to its habitat, from a ground cover creeping along rocks and soil to a climbing vine using trees and other supports with lateral branches producing really big leaves.

"The leaves are made up of three leaflets. Hence, the saying, 'Leaves of three, let it be.'"

Poison ivy leaves are light green in the spring, dark green in the summer and red in the autumn, Nelson noted.

"The reddish-tinged vine remains with plenty of root hairs through the winter," he said, citing another familiar poison ivy rhyme, "hairy vine, no friend of mine." The skin irritant is also found in the vine.

In the fall, mature vines of poison ivy will also showcase white berries, which contain just as potent an irritant, said John Mikowychok, director of the Chester County Parks and Recreation Department.

Reactions to contact with the plant vary.

"Persons with light complexions, and typically blondes, redheads, and persons of northern European descent tend to be more sensitive to the effects of the irritant," said Mikowychok.

A rash caused by poison ivy can "be anything from little red bumps in streaks and patches" in places where the person brushed by a leaf, twig or branch, to large blisters or clear, fluid-filled bumps, explained Dr. Jeffrey Melrose, a family practitioner at Great Valley Family Medicine in Exton, who is affiliated with Paoli Hospital and Main Line Health Care.

"If you think you've touched it, wash your hands immediately with soap and water," he said. "The rash is not contagious."

People get resin from the plant on their clothes or garden gloves, which they may wear again before washing them in hot water with soap, and believe that the rash was passed from one spot to another on their body, said Melrose, but it's really due to re-exposure to the resin. Pets can also transfer resin from the plant that is on their fur to humans, according to Dr. William Shibe, chairman of emergency services at the Phoenixville Hospital.

Even resin on garden utensils such as clippers could cause re-exposure, Melrose said.

The length of time the rash will last varies due to individual sensitivity, but can range from one week to one month.

If you have a mild rash resulting from poison ivy exposure, Melrose recommended treating it by taking over-the-counter medications such as Benadryl for severe itching or Zyrtec or Claritin for milder forms of irritation.

"You can put calamine on there," he said. "If you have lots of blisters weeping all over, you should cover it with gauze bandage."

Aveeno soap, hydrocortisone cream purchased over the counter and oatmeal flakes can also be used to treat a poison ivy rash, according to Shibe. "Be sure to avoid peroxide, Clorox or other substances which cause further injury," he said.

When the rash is severe and not responding to regular at-home treatment, contact your family physician, said Melrose. If there is a spreading redness around the bumps that varies from the slight redness that can usually be found in the rash itself, this could be a sign of infection, he added, noting that this is another reason to seek out a physician's treatment.

A lot of people think they need oral steroids for it, said Melrose. "On occasion, for really severe cases, we will prescribe an oral steroid, but that's reserved for some of the more serious issues."

Where the rash is located is also relevant to its treatment. If the rash affects the face, eyes, genitalia or airways, said Shibe, see a physician for treatment. If there is a sign of a secondary infection, such as tenderness, pus or a fever, he said, that also signifies the need to see a physician.

Take care if you are the person responsible for removing the plant from your property.

"As for removal, it's up to the individual and their sensitivity to the poison ivy," said Nelson. "Some people can put on gloves and long sleeves and pants then just pull out the roots and rip up the vines."

People with low sensitivity may then simply use soap and water to wash their hands afterward, he explained, adding others may need to approach someone else to remove the plant.

"Herbicide is an option but the plant still has to be removed after it dies. Also, herbicide can also kill plants that you may want to keep in your backyard," said Nelson. "Burning poison ivy is not a good idea, because the irritant can be inhaled, with a rash developing on the lining of the airway and lungs, a serious condition."

-- For more information about poison ivy exposure prevention and treatment, visit the United States Food and Drug Administration Internet site at [www.fda.gov](http://www.fda.gov).

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**NewsWest9.com (TX)**  
**Allergies Affecting West Texans**  
**September 26, 2008**  
**By Roma Vivas**

PERMIAN BASIN- The allergy experts NewsWest 9 talked to on Friday say they can barely keep up with the all patients coming in to get treated. This allergy season did not start earlier than normal, but with all the wind and the recent rain it certainly feels like it did.

"It's been pretty bad the last month or so," Vivek Rao, M.D., with Allergy and Asthma Care, said.

And this situation has many West Texans going to the doctor.

"This year because we have because of all the moisture we have gotten, the molds have been an issue, however it just so happens that we got that at around the time the weeds normally pollinate so it's a been a double whammy for people who are allergic to both," Rao said.

The allergies come from different things and even from far away.

"The pollens will become airborne and they can travel for hundreds of miles so you not only have to be worry about what's here in the Permian Basin, but what's been dropped here from other areas in Texas," Rao said.

Experts say allergies not only affect the way we feel but our ability to live a normal life. So what can we do to keep our allergies under control?

"For people who have mild symptoms there are some really good antihistamines that are available over the counter, there is Claratin which is been around for a couple of years now and there is Zyrtec which recently came over the counter," Rao said.

But Dr. Rao says if your symptoms are severe you should see a specialist as soon as possible.

"An allergy specialist can help out by helping you figure out for sure if it really is allergies because if medication is not working it may be that the symptoms may not be from allergies or it may be that they are into in the right medication to treat their symptoms," Rao said.

Doctors also say simple things like using a different cleaning product in your home can make a difference in your allergies.

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**PromoMagazine.com**  
**#2 Best Use of Event Marketing (Five or Fewer Venues)**  
**September 22, 2008**

Detox Seattle  
Agency: A Squared Group  
Client: Method

To build brand awareness and generate trial around its products, Method, a maker of green cleaning and personal care items, created an experiential campaign targeting Seattle moms and families. It recruited Method Mavens as part of an influencer program to host a private party for family and friends at the Method House, a 2,000-square-foot green house that features the latest environmentally friendly building materials and appliances. Ambassadors and their friends participated in one of two events: Organic Cooking Lessons, which offered a hands-on cooking demonstration of dishes inspired by the edible ingredients found in Method products; or Sustainable Sips, during which participants learned how to craft a well-balanced mixed drink and give their cocktails a "kick" by using organic products. To help rid Seattle of toxic chemicals, guests were also invited to bring their ordinary cleaners to the parties for proper disposal. In return, attendees received a reusable, organic cotton tote filled with Method products. In all, 98% of participants registered as new Method advocates, representing a more than 1,200% increase in Seattle advocates. What's more, attendees dropped off nearly 1,000 pounds of flammable aerosols, toxic liquids and corrosive acids and bases. Based on the success, Method will launch similar campaigns this year in Boston, New York and Chicago.

The Meow Mix Acatemy  
Agency: Grand Central Marketing, Inc.  
Client: Del Monte Foods

Del Monte Foods was looking for a new way to reinforce its "Think Like a Cat" tagline for its Meow Mix brand while it raised money for animal shelters. So it sent cat lovers to school to teach them the very habits and skills their beloved pets practice everyday. The Daryl Roth Theater in New York City was converted into The Meow Mix Acatemy, where students participated in a range of interactive courses that simulated different aspects of a cat's behavior—such as scaling a climbing wall or studying the art of catnapping by curling up in a beanbag chair. Catalogs containing class descriptions and a list of guest speakers were distributed in branded newspaper boxes to promote the weeklong event. Acatemy spokesperson Cat Cora, the star of the Food

Network's Iron Chef America, offered a cooking demonstration and prepared healthy dishes for attendees. The event drew more than 12,000 visitors. In addition, Meow Mix donated one pound of cat food to New York's Animal Haven shelter for every person who visited the event, as well as the \$3,500 it raised from Acatemy bookstore sales.

Zyrtec Spring Wonderland Dome  
Agency: RedPeg Marketing  
Client: McNeil Healthcare

Intent on driving awareness of its new over-the-counter allergy medicine, Zyrtec brought a taste of spring in the form of a dome to New York City in the dead of winter. The 10,000-square-foot Zyrtec Spring Wonderland Dome, set in Central Park in January, featured a welcome center, a carousel for kids, a gazebo and walking paths. Inside, visitors traveled through the "mini-city" while learning about Zyrtec and the brand's benefits. People posed for pictures in green-screen photo booths with fun spring scenes; attended seminars offering dog training tips and gardening advice; and played interactive games with the Nintendo Wii. The campaign also included a partnership with local radio station Z-100 and Duane Reade pharmacy to offer special giveaways. Listeners who visited the dome also had a shot to win \$100,000 as part of a sweepstakes. Ambassadors promoted the event by handing out 75,000 fliers before the dome's opening. Online marketing and wilding postings also supported the campaign. The event drew more than 13,000 visitors during its four-day run.

Jeep Tag Shop  
Agency: Zoom Media & Marketing  
Client: Jeep

To make an impression with ski and snowboarding fans, Jeep set up a garage at three winter events to promote the brand and generate sales leads. It hosted a number of activities in the 20-foot-square structure, dubbed The Jeep Tag Shop, at the ESPN Winter X Games, in Aspen, CO, at Street Sessions in New York City, and at King of the Mountain in Sun Valley, ID. Inside, graffiti artists' custom "tagged" Jeep gear, and visitors received autographs from some top athletes. Jeep used Bluetooth technology to send screensavers and event schedules to attendees with Bluetooth enabled phones. People were also encouraged to send text-message requests for songs to an onsite DJ. To promote its vehicles, Jeep put a Jeep Patriot and a Jeep Wrangler on display outside the garage. Ambassadors took photos of consumers driving the models and put them online, allowing consumers to claim their pictures after filling out a short survey. People who opted in for more information received a brochure on the specific vehicle they expressed interest in. The three events drew 103,000 people, with 20,000 attendees interacting with the Jeep Tag Shop. In all, 48,500 premiums were distributed. On-site surveys found 88% of participants had a positive experience.

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### ***Drug Store News***

**Working the generics numbers: A firmer bottom line as sales decline (Special Report Generic Drugs)**  
**September 22, 2008**  
**By Jim Frederick**

For the bean counters at the nation's drug, supermarket and discount store chains, generic drugs can be a double-edged sword.

On the one hand, the loss of patent protection on a big-selling branded drug means multisource drug competition, which, in turn, can mean significantly lower topline sales. But the flip side for generic switches often is dramatically higher gross margins, at least for an initial period of availability.

Generics clearly can bolster profitability both for pharmacy retailers and pharmacy benefit managers because they offer a higher gross margin, albeit on lower sales.

"Since prices of generics are significantly less than their branded equivalents, drug retailers will see a significant drop in topline sales," said Citi Investment Research analyst Deborah Weinswig. Indeed, Weinswig added, the recent introduction of new generics has pulled down comp-store sales for the retail pharmacy industry by 460 basis points, or nearly half a percent.

However, she added, "Generics have superior gross margins versus branded drugs [50 percent versus 15 percent, respectively]. As such, in the first full year [of their introduction], generics actually are a net positive to retailer profits."

A case in point is Walgreens. In the company's fiscal 2008 third quarter, a slide in front-end margins due to expanded promotional activity was "partially offset by an increase in pharmacy margins due to the growth in generic drug sales," the company reported. But it can be a complicated profit and sales calculus.

"In the case of some blockbuster generic drugs, it's difficult to grow profit dollars after their first few months of availability," said Walgreens president Greg Wasson. "Pharmacy gross profit margins on some drugs can increase on a percentage basis even while the gross profit dollars they produce fall."

Meredith Adler, retail analyst for Lehman Brothers, noted that the continuing shift of big-selling branded drugs to generics continues to impact Walgreens' sales. "August comps of 3 percent? were below our forecast of 4 percent," she wrote last month. "After adjusting for new generics, Zyrtec going OTC and calendar shifts, the adjusted Rx comp Jim Frederick

For the bean counters at the nation's drug, supermarket and discount store chains, generic drugs can be a double-edged sword.

On the one hand, the loss of patent protection on a big-selling branded drug means multisource drug competition, which, in turn, can mean significantly lower topline sales. But the flip side for generic switches often is dramatically higher gross margins, at least for an initial period of availability.

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#### **Detroit Free Press Online**

**Most prescription drugs kids take not approved for their use**

**Here's what you should know**

**September 21, 2008**

**BY HEATHER NEWMAN**

All of the prescription drugs your kids are taking probably aren't approved for them.

If you didn't know that, you've got company.

The majority of parents surveyed in a recent poll think whatever their pediatrician prescribes is safe.

But according to doctors and researchers at the University of Michigan, 70% of available drugs -- including those being used to treat kids for everything from respiratory illnesses to weight issues - have not been approved by the Food and Drug Administration for use by children.

The FDA is reviewing the use of cold medicines in children ages 2 to 11. The drugs were pulled off store shelves for kids under 2 earlier this year after several kids died from accidental overdoses.

The two FDA committees overseeing the review are to meet in October.

The statistics used to be worse. About a decade ago, 80% to 90% of drugs were not approved for kids.

And while the numbers are improving, pediatricians and researchers say they're not comfortable.

"It's business as usual, but it's not business the way you want it to be done," said Dr. Richard Gorman, a pediatrician and chairman of the American Academy of Pediatrics Section on Clinical Pharmacology and Therapeutics. The gap is a huge concern for doctors, who must use educated guesses about which medicines might be effective and what dosages to prescribe.

The academy's official position is that it's up to the pediatrician to prescribe off-label drugs to children if there's a scientific reason to expect they'll be helpful and when there is a lack of realistic alternatives -- the situation those doctors and parents are faced with every day, he said.

Finding child test subjects can be difficult.

For Mike and Connie Wall of Plymouth, the decision to put their 11-year-old daughter Christine into a study for a cancer vaccine last October was a hard one. She had a rare type of cancer -- a malignant peripheral nerve sheath tumor -- with a high return rate; the vaccine, if successful, would help.

"We prayed and agonized over it a lot," Mike Wall said. "We don't know if it could be a lifesaver or harmful. We may not know forever."

He said that if her condition hadn't been life-threatening, they wouldn't have participated in the research. Christine now appears to be in remission.

Researchers say traditionally there has not been much financial incentive for drug companies to test children, who may represent a tiny portion of the market for a particular drug, and finding parents willing to have drugs tested on their children can be difficult.

"That leaves parents and doctors in a tough situation," said Dr. Matthew Davis, U-M associate professor of pediatrics, a pediatrician at C.S. Mott Children's Hospital in Ann Arbor and coauthor of the National Poll on Children's Health that was released in May. The study surveyed more than 2,000 parents and found that 83% believe that their child's last prescription was FDA-approved.

#### Test subjects

While about 30% of medicines have been approved for kids, some drugs, like those to treat Alzheimer's, truly are useful only for adult conditions. The percentage of drugs that children are prescribed off-label hasn't been specifically nailed down.

But parents often end up effectively testing drugs on their children without knowing it.

Children are not just small adults, said Dr. Esther Yoon a lecturer in the U-M division of pediatrics, a practicing pediatrician in Canton and the poll's coauthor. "They metabolize substances differently."

Beth Hurley, 42, of Canton said she made the tough decision to turn down Elidel skin cream for her son Aiden's eczema after reading that it hadn't been approved for children. The condition left



him with cracking and bleeding skin behind his knees as a toddler. Nothing helped. One doctor suggested the new cream.

"It had not been approved for children 2 years and younger," Hurley said. On a TV commercial, she noted that the side effects included possible cancer or death. "I said, 'Are you kidding me?' "

A few years later in 2005, the drug was given a "black box" warning, the most serious the FDA can add, because of its role as a possible cause of skin cancer.

"I really felt, thank God we made that decision," said Hurley, who was a paid discussion leader for the Free Press' former MotorCityMoms.com site. "We have always erred on the side of caution. Cracking, bleeding skin -- that's horrible, but I'm not willing to risk death for it."

That said, the family decided to allow their son, who has allergies, to use Zyrtec, which had not been approved for children his age. That was after reading up on potential side effects and quizzing their doctor. "It's been because we were desperate, and there were no dire warnings," Hurley said. "When your child can't breathe..."

If not this, what?

Because of legislation passed in the past 10 years, pediatric assessments -- how likely it is that a drug will be prescribed to kids -- are now required as part of the approval process. The FDA also has the power to require companies to conduct pediatric tests.

Dr. Lisa Mathis, associate director for maternal and pediatric health staff in the office for new drugs at the FDA, said much has been learned in recent years. But, she said, "We're still in a position that there are still more drugs that aren't labeled than are. But the whole environment has changed. We now have the opportunity to intervene. That said, we're not satisfied that we're where we need to be." In June, the American Academy of Pediatrics recommended that doctors use some statin cholesterol-lowering drugs in children as young as 8. Pravastatin, commonly sold as Pravachol or Selektine, was approved by the FDA for children after studies that included a two-year trial on 214 children. The drug had side effects including heartburn and muscle pain.

"That's the only one that is approved for children of that age," said Nicolas Stettler, assistant professor of pediatrics at the Children's Hospital of Philadelphia and a member of the committee that approved the new recommendations. The group had been waiting for something to help younger kids with cholesterol issues.

"The major benefit of having FDA approval is that approval indicates significant information about safety and dosing," U-M's Davis said.

Other, more common drugs for kids, such as Amoxicillin, are tested and approved for kids. But if the child has an allergy to penicillin, making amoxicillin an unsafe choice, doctors find themselves in a bind, especially for infants.

Most doctors would reach for azithromycin (sold under the brand name Zithromax), which is an excellent drug, said Yoon. The problem: It's only approved for babies over six months.

Another example is albuterol, a drug that increases air flow to the lungs, which is commonly prescribed to children with bronchiolitis, a common illness of the respiratory tract that makes it difficult for kids to breathe. Babies and toddlers are susceptible to the condition, especially in winter, Yoon said, but albuterol isn't approved for children under age 2.

"As a physician, would I use this medication? Of course. I have no other real alternatives that are FDA-approved," she said.

No one size fits all

The FDA approves about 95% of all adult medications. But getting drug approval for children involves hurdles:

There isn't one blanket approval. A drug can be approved for children over 6 months, 2, 6 or even 12 years of age.

"There's a whole range of pediatric patients and they all present different issues in terms of drug development," said Alan Goldhammer, deputy vice president of regulatory affairs for Pharmaceutical Research and Manufacturers of America, the industry trade association for drug makers. "You can't do a study on teenagers and extrapolate it down to a baby."

There often aren't many incentives for drug companies to get older medicines approved. If the drug is already off-patent (available in generic form), there's almost no financial advantage to do the tests.

Finally, there's the problem of finding enough kids to do studies. About 60% of those parents polled say they would not let their children participate in tests.

Lipitor, a cholesterol-lowering medication approved for kids ages 10 and up, was tested on children ranging from 2 to 16 before it was approved, said Dr. Halit Bander, executive director, Pfizer's Cardiovascular Medical Team, Lipitor lead. There just weren't enough patients in the study younger than 10 to allow for that kind of labeling.

A followup test focused on children ages 10-17 and the drug was labeled for children that age in 2002, six years after it was approved for adults.

#### Testing incentives

The Food and Drug Administration has taken several steps over the past six years to encourage more manufacturers to test their drugs for children. A study released early this year by the FDA showed that drugs tested for kids at the FDA's request generally ended up getting critical changes in dosages as a result.

The Best Pharmaceuticals for Children Act, passed in 2002, gives drug companies an extra six months of exclusivity on the market if they test their medicine for children at the FDA's request. The Pediatric Research Equity Act went into effect in 2003, requiring drug companies to put new medicines through pediatric testing unless they successfully won a waiver for their products.

Potential grounds for waivers include drugs where the population of kids would be too small -- typically 50,000 or fewer nationwide -- to reasonably allow testing; or drugs that are unlikely to be used in children and offer no substantial benefit over existing drugs for them.

Since last year, 100 applications for waivers have been filed by drug companies. Another 50 requested a deferral to do pediatric research after the drug hit the market. And 50 new drugs were actually tested for kids.

"I think the best policy is for doctors to hold an open discussion with parents," Davis said. "I explain to parents the situation if I'm faced with an illness with a child where only non-FDA-approved drugs are available."

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**Detroit Free Press Online**

**Prescription Primer**  
**September 21, 2008**

Below is a list of commonly prescribed drugs, and their common brand names, that have been approved for children to take for allergy symptoms and infections -- as long as it's for the right disease, the right dosage and the right age group. If the drug your child is taking is not on this list or not being used for the reasons on this list, talk to your pediatrician or pharmacist. The ages indicated are the recommended minimums.

**DEFINITIONS**

- Rhinitis is a runny or stuffy nose.
- Urticaria is hives.
- Prophylaxis refers to the use of the drug as preventive medication.
- Bronchitis is an inflammation of the lungs (often leading to chronic cough).
- Otitis is inflammation of the ear; otitis media is swelling in the middle ear; otitis externa is inflammation of the outer ear and ear canal, commonly called "swimmer's ear."

**ALLERGY DRUGS**

Chlorpheniramine (Chlor-Trimeton): allergic rhinitis, common cold; 6 years and older

Diphenhydramine (Benadryl): allergic rhinitis, anaphylaxis; all ages. Common cold; 6 years.

Loratadine (Alavert, Claritin): seasonal allergic rhinitis, chronic idiopathic urticaria; 2 years.

Fexofenadine (Allegra): seasonal allergic rhinitis; 2 years (suspension), 6 years (tablets). Chronic idiopathic urticaria, 6 months (suspension), 6 years (tablets).

Cetirizine (Zyrtec): perennial allergic rhinitis, chronic urticaria; 6 months. Seasonal allergic rhinitis; 2 years.

Desloratadine (Clarinex): perennial allergic rhinitis, chronic idiopathic urticaria; 6 months. Seasonal allergic rhinitis; 2 years.

Fluticasone (Flonase): rhinitis; 4 years.

Budesonide (Rhinocort Aqua): rhinitis; 6 years.

Mometasone (Nasonex): allergic rhinitis; 2 years. Seasonal allergic rhinitis, prophylaxis; 12 years.

Triamcinolone (Nasacort AQ): allergic rhinitis; all.

Olopatadine (Patanol): allergic conjunctivitis; 3 years.

Ketotifen (Zaditor, ZaditorOTC): allergic conjunctivitis, prophylaxis; 3 years.

**ANTIBIOTICS**

Amoxicillin (Amoxil): ear, nose and throat infections; all.

Penicillin VK (Veetids): strep, staph, pneumococcal and respiratory tract infections and rheumatic and scarlet fever; 12 years.

Amoxicillin/Clavulante (Augmentin): pneumonia, skin infections, urinary tract infection, sinusitis, lower respiratory tract infection; all. Extended release tabs; 16 years.

Cephalexin (Keflex): skin, respiratory tract and urinary tract infection; all.

Cefaclor (Ceclor): chronic bronchitis; 16 years. Skin, lower respiratory tract and urinary tract infection and pharyngitis, tonsillitis; 1 month.

Cefuroxime (Ceftin): chronic bronchitis, Lyme disease, urinary tract infections; 13 years. Pharyngitis, acute sinusitis, tonsillitis; 3 months.

Cefprozil (Cefzil): chronic bronchitis; 13 years. Skin infection, pharyngitis, tonsillitis; 2 years. Acute sinusitis; 6 months.

Cefdinir (Omnicef): chronic bronchitis, pneumonia; 13 years. Skin infection, acute maxillary sinusitis, pharyngitis, tonsillitis; 6 months.

Erythromycin (E.E.S.): respiratory tract infection caused by flu or pneumonia, skin infection, neonatal chlamydial conjunctivitis and pneumonia, pertussis, syphilis or rheumatic fever for penicillin-allergic patients; all.

Azithromycin (Zithromax): bacterial sinusitis, pneumonia, acute otitis media; 6 months. Bacterial conjunctivitis; 1 year. Second-line therapy for pharyngitis, tonsillitis; 2 years.

Clarithromycin (Biaxin): tonsillitis, pharyngitis, acute maxillary sinusitis, skin infection, pneumonia, acute otitis media; 6 months.

Ofloxacin (Ocuflox): acute otitis media -- tympanostomy; ages 1-12. Chronic purulent otitis media -- perforation of the tympanic membrane; 12 years. Otitis externa; 6 months.

Source: Dr. Esther Yoon, University of Michigan

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#### **ABCNews.com**

#### **Allergies Without Insurance a Financial Burden**

#### **Paying for Allergy Treatment Takes a Chunk Out of Your Wallet**

**September 18, 2008**

**By RADHA CHITALE**

Compared to other chronic conditions like heart disease or diabetes, treating allergies may be relatively inexpensive. But for those without health insurance, personal circumstances and medical costs can quickly add up to a price that is simply out of reach.

Without insurance, a bad case of allergies can be a financial burden.

(ABC News Photo Illustration) And as more allergy medicines transitioned to over-the-counter status beginning in 2001, even some allergy sufferers with health insurance began having trouble affording their treatments.

In these situations, the only choice left for someone with allergies may be to soldier on, miserable, before ending up in the ER.

Quantifying the cost of having an allergy is difficult because of the range of types and severities.

For example, allergic rhinitis, or hay fever, could require two or three visits to a doctor each year plus a supply of over-the-counter antihistamine medication, which can cost about \$1,000 yearly, according to a report from the American College of Allergy, Asthma and Immunology.

"It's doable, but it's not free," said Dr. Jonathan Bernstein, a professor of medicine in the University of Cincinnati's Division of Immunology and Allergy. "It depends on proper diagnosis and proper treatment, but the cost to manage a patient with seasonal allergic rhinitis is not that expensive."

#### Cash for a Cure

Before 2001, powerful anti-allergy medicines like Allegra, Zyrtec and Claritin were only available with a prescription. That changed when the health care giant WellPoint Health Networks petitioned the U.S. Food and Drug Administration to grant these drugs over-the-counter status. This meant that consumers could now get these drugs at a lower cost, without a doctor's prescription.

But this also meant that insurance companies were no longer obliged to cover the cost of these medicines -- making them more expensive for some with health insurance whose copays would have allowed them to spend less on the drugs.

Moreover, soon after these popular drugs went over the counter, a number of insurers yanked coverage for more powerful prescription allergy drugs. While this meant big savings for insurers, those who relied upon these stronger counterparts were left with higher bills each allergy season.

Fortunately, some sufferers may need no more than a bottle of Benadryl to stop a mild reaction once in a while. But others might be in and out of an emergency room, in need of epinephrine shots to prevent going into anaphylactic shock.

"They're accessing care at the most expensive end of the spectrum," said Patricia White, executive director of West Virginia Health Right, West Virginia's largest free clinic, of those who do not seek treatment until they need to go to an ER. "They're living on the edge before all of these costs."

Free clinics can be an excellent resource for people without health insurance to seek treatment and advice for their allergies. According to data from the U.S. Census Bureau, 45.7 million Americans went uninsured in 2007. But free clinics can be underutilized.

"A lot of times, patients won't come in unless they're really, really sick," said Diane Anderson, a family nurse practitioner who works at Mission East Dallas, a free clinic in Texas.

Anderson said patients will come in for one problem and on their way out, casually mention that they have been sneezing a lot. Or they come in with infected sinuses or with asthma because their allergies have become so severe.

#### Stopping Allergies Before They Start

Data from the American Academy for Asthma, Allergy and Immunology show that allergies are not cheap for any of the 50 million Americans who have them. Estimated costs for allergies and the associated conditions and care run to almost \$8 billion per year, with portions going toward medication, physician billing and productivity losses at work.

Financially, prevention is worth investing in. Despite the initial cost to see an allergist, or even a general physician or nurse practitioner, doctors deem it worth the money.

"Allergic evaluation is cost effective," said Dr. Cascya Charlot, an allergist at Allergy and Asthma Care of Brooklyn, a clinic in New York. "If you don't have insurance, it's even more important."

An expert can identify the cause of the allergies and help develop a plan to avoid the allergens and to treat the symptoms. A suggested regimen might include a combination of over-the-counter or prescription medications, nasal rinses and tips on keeping the home allergen-free.

"They're simple measures, not necessarily ones that are going to cost you an arm and a leg," Charlot said.

Yara Pereira, 27, a patient of Charlot's with chronic allergic rhinitis, said she vacuums and dusts, does not have pets or carpets in her apartment and refrains from smoking or drinking alcohol in order to prevent an allergic attack.

Even so, about one-third of her monthly expenses are for Pereira's health needs. And she has never had insurance, paying out of pocket for all her medical bills.

"I have to have that money aside just for that. ... I'm a very allergic person. Even if I avoid things, I'm allergic to things it's impossible to avoid," Pereira said. "Summer, winter, fall -- I have it all year long. I can't deal with it anymore."

#### Boosting Immunity

After her allergies became more troublesome than she could bear, Pereira, a journalist in Brooklyn, N.Y., recently began a course of immunotherapy, a treatment she tried unsuccessfully five years ago.

Immunotherapy involves weekly injections of small doses of an allergen, the theory being that gradually increasing exposure will decrease a person's sensitivity. The injections are administered over the course of several years.

"I recommend it for people who need it," Charlot said. "It's going to help the person who has severe symptoms and the person who needs a variety of medications each season."

But the procedure takes time and some trust, Charlot said, because the results of immunotherapy will not be felt right away.

Still, Charlot pointed out that patients may find they need less over-the-counter or prescription medication both during and after treatment and a reduction in those costs as well.

"It's an investment of money and time and also dedication," Pereira said.

If she misses just one injection, she will have to start the treatment over again, which is the main reason she failed to complete her immunotherapy treatments five years ago.

"I didn't want to keep taking medicine all the time. They are very expensive and it's very hard to get them sometimes," Pereira said.

She pointed out that even though a few allergy medications are now available over the counter, there are limits to how much medicine you can buy. Some pills can only be purchased in packs of 10 once each month.

Pereira estimated that the first month or so of immunotherapy cost her about \$1,000, from visits to the doctor's office to tests plus the price of the antigen serum.

But the price will not always be so high. During the course of several years, the difference immunotherapy makes can be striking, both to the body and the wallet.

"It will get lesser, to about \$300 per month," Pereira said. "In the long term, it's less."

Studies have shown that allergen immunotherapy can result in a cost reduction of about 15 percent in the second year of treatment and almost 50 percent reduction in the third year. Net savings in the course of the treatment averaged about \$800 per year.

"It's affordable," Pereira said. "This is the treatment I wanted to get. I'm looking forward to doing it until the end."

#### Soldiering On

Despite the proven benefits of prevention and long-term treatments, many people without insurance may not have the time or inclination to actively prevent their allergies, particularly chronic ones, especially if there are necessary things to be paid for.

"Someone who is poor and is making a decision about whether to buy food for the kids or something they may or may not use, they'll always go to cover their family," White said. "Whether it's an \$800 drug or a \$100 drug, it's all in your perspective."

And many people who frequent free clinics or ERs are anxious, depressed, down on their luck and feel like nobody cares about them, Anderson said.

"The last thing they're going to want to do is get up and clean the house," Anderson said. "In today's world, it's 'Give me a pill and fix me.'"

The final option for people with chronic allergies and little or no health insurance may be simply to go on with life as best they can, White said.

"For people who are poor, they simply go without."

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#### **Investor's Business Daily Online**

#### **Generic-Drug Firm Making Hay With Knockoff Allergy Medications**

**September 17, 2008**

**BY MARILYN ALVA**

Allergy drugs Claritin and Zyrtec don't need doctors' orders anymore.

And some \$10 billion in other prescription drugs should cross over to general store aisles in the next five years.

That makes Joseph Papa "excited about the future."

As chief executive of Perrigo, (PRGO) the largest maker of store-branded over-the-counter drugs, he sees lots of opportunities.

Those became greater after Perrigo said on Tuesday that it had bought JB Laboratories, a contract manufacturer of over-the-counter drugs and nutrition products, including vitamins.

The \$44 million purchase gives Perrigo an extra \$70 million in annual sales and more production capacity. Perrigo's stock jumped 3.6% on Tuesday and nearly 3% on Wednesday.

#### Buyout Boost

Before the buyout, Perrigo said sales would rise between 13% and 18% this fiscal year ending June 28, to between \$2.06 billion and \$2.15 billion. It saw profit between \$1.90 and \$1.98 a share.

Analysts tracked by Thomson Reuters expected profit of \$1.96 per share this year, a 24% gain over last year. That forecast might inch up a bit since Perrigo said the buyout would boost earnings.

Analyst Linda Bolton Weiser of Caris & Co. expects the deal to add 3 cents in annual EPS.

Meanwhile, one of the biggest new opportunities for Perrigo, Papa says, will come from non-drowsy antihistamines.

"We believe we will be there in the first wave," he said.

Claritin got the ball rolling in 2002, when the government cleared the prescription allergy drug for over-the-counter sales.

Perrigo's private-label Claritin has won about 30% of the market, including brand and store labels.

National brands typically keep at least 50% market share after private labels come on the market.

Perrigo rolled out a private-label version of Zyrtec in January. It wasn't alone. Six other store-brand versions also won approval.

"So you would guess we would get 15% of the store-brand Zyrtec market," Papa said. "We have over 80%."

Industry observers aren't surprised.

"Not everybody can do what Perrigo does," Weiser said. "Retailers have to have a consistent supply with quality products. Perrigo has 60% (overall) market share so they must be doing something right."

Big generic and branded drug makers such as Teva Pharmaceutical (TEVA) and Watson Pharmaceuticals (WPI) dabble in over-the-counter private-label products. But it's not their core skill, Weiser says.

"You have to be competent in making many thousands of packages for thousands of retailers," she said. "It's a different business. Perrigo is more like a Procter & Gamble (PG) than a Teva."

Perrigo has practice dating back to 1887. That is when Luther Perrigo started packaging and distributing patent medicines and household items for country stores in the Midwest.

As the store-label market took off in the early 1990s, Perrigo was a prime beneficiary.

Perrigo's plants in the U.S., Mexico, Israel and the U.K. churn out billions of tablets and tons of syrups to treat common ailments such as allergies, colds, headaches and heartburn. The firm also makes the packaging to go with them.

Its products mimic household brands Tylenol, Advil, Robitussin, NyQuil, Sudafed and many others. These cheaper private-label versions sit right next to the national brands on store shelves.

#### Courting Stores

Perrigo's retail customers include mass-market discount, drugstore and grocery chains such as Wal-Mart, (WMT) Walgreens (WAG) and Kroger. (KR) Wal-Mart is its biggest buyer, providing about 20% of the firm's annual sales.

Papa says Perrigo gets its high market share in store brands partly from the marketing and promotion it puts behind its products. That includes shelf and aisle signage and introductory kits.

But Papa admits he's in a challenging business.

Margins in this sector are low by drug-industry standards. Perrigo's gross margin is a little more than 31%. JB's margins are lower.



One of Perrigo's rivals, Leiner Health Products, filed for bankruptcy earlier this year. In July, the vitamin company NBTY (NTY) bought most of its assets for \$371 million.

"That tells you what a rough business this is," Weiser said.

To boost margins, Perrigo works to streamline manufacturing processes. It also plans to focus more on new, higher-margin products.

"All these special 'switch' products are higher margin than aspirin and Tylenol," Weiser said. "So these high-value products will enhance their gross margins over time. But can they go from 31% to 36% in the next five years? Maybe."

One of the higher-margin brand knockoffs Perrigo rolled out recently was for heartburn medicine Prilosec.

Perrigo expects to take in \$150 million to \$200 million a year from omeprazole, the active ingredient in Prilosec. That makes it the biggest product launch in the firm's history.

Perrigo's sales in its fourth quarter jumped 34% over the prior year to \$500.2 million. New-product sales from copies of Prilosec and Zyrtec as well as strong sales in cough/cold, analgesic and smoking cessation lines drove much of the growth.

Two smaller units, which make prescription drugs and active drug ingredients, kicked in \$38.4 million and \$38.3 million, respectively. Products sales in Israel added \$48.8 million. Profit rose 62% from a year ago to 39 cents a share. Full-year profit grew 78% to \$1.58 a share.

Analysts figure that earnings growth will slow to the 10% to 11% range starting in July 2009. It will be tough to match the gains from this year's two sizable product launches.

But potential new products could fan the flames.

CEO Papa says Clarinex might be the next brand-name allergy drug to go over-the-counter. And he says a new wave of stomach-acid drugs might follow Prilosec down retail aisles. One candidate: Prevacid from Takeda Pharmaceutical.

Perrigo recently won a patent challenge that lets it sell its retail customers Famotidine Complete, the store-brand version of heartburn aid Pepcid Complete.

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***The Atlanta Journal - Constitution***

**Better Health: Autumn allergens: Sufferers can spend most of time inside to avoid pesky molds, ragweeds outside**

**September 17, 2008**

**By HELENA OLIVIERO and HOWARD POUSNER**

Cool, breezy days of autumn invite you to go outside or at least, open your windows.

But for Dr. Robert Bachman, a fall-time allergy sufferer, it's time to hunker down.

"It could be a perfectly nice day to go outdoors and I think, 'No. Not going to do it,' " said Bachman, an orthopedic surgeon who lives in Norcross.

He gets allergy shots and takes over-the-counter medication to help manage the symptoms. But he still must be diligent to avoid breathing in fall's pesky allergens --- primarily ragweed and mold spores.

"Sometimes when I sneeze, I will sneeze 20 times and if I am driving, I will have to pull over to the side of the road," he said.

Autumn allergens don't rival the spring pollen counts from oak and grass pollens. They also don't hang around very long. But they still carry a punch and can make your eyes red, your throat scratchy, your nose runny.

"The fall pollen counts don't get anywhere near the springtime pollen counts but they can really bother some people," said Dr. Stanley Fineman, an allergist at Atlanta Allergy & Asthma Clinic.

On a recent day, the pollen count reached 50. Some spring days, the pollen counts can surge above 1,000.

But Fineman said some allergy sufferers are particularly sensitive to ragweed, a hardy green plant prevalent at parks and construction sites.

In fact, the symptoms sometimes get mistaken for a cold. But there are some differences.

"A cold will go away but allergies tend to persist week after week," said Dr. George Gottlieb, a DeKalb Medical allergist.

Lisa Hoggard of Marietta used to suffer through the fall allergy season, but decided to see an allergist earlier this year. She was fed up with feeling lousy every autumn and battling repeated bouts of sinusitis. She now gets twice-weekly allergy shots.

"I still know it's out there but I don't have that overwhelming bad feeling, and I am no longer calling in sick," said Hoggard, a project manager for American Express.

Fall pollens stick around for about six weeks, ending by the middle to late October.

If temperatures dip into the 30s for two or more consecutive nights, the challenging period can be shorter.

So for now, Hoggard is happy to be going on a business trip to Phoenix this week.

"It will be nice to go somewhere and not have to worry about my allergies," she said.

#### HOW TO ATTACK

Keep windows closed to prevent pollens or molds drifting into your home. Instead, if needed, use air conditioning, which cleans, cools and dries the air.

Don't use attic fan that circulate fresh air.

Stay inside as much as possible on windy days when pollen counts are highest.

Don't rake leaves, as this stirs up molds.

Wear a mask when doing yard work or mowing the lawn.

Exercise indoors.

Don't grow too many or overwater indoor plants if you are allergic to mold. Wet soil encourages mold growth.

Consider taking over-the-counter allergy treatments such as Claritin and Zyrtec.

## ALLERGEN WAR INDOORS AIDS IN FIGHT OUTDOORS

While it's hard to dodge pollens and molds outdoors, seasonal patients will suffer less if they control their exposure to allergens indoors, believes Dr. Kingsley Chin of Piedmont Ear, Nose, Throat and Related Allergy.

The bedroom is the particular battleground where Chin encourages patients to focus on "environmental control," since that's where most people spend a third of their lives. If you can get make your resting place as free of allergens as possible, then those eight hours of sleep give your system a chance to recover, leaving you in better shape to ward off outdoor enemies the next day.

Here's are some of Chin's suggestions for controlling allergens indoors, culled from a patient handout:

If you've been outside a lot during the day, pollen is on your body and clothes. Don't bring them into the bedroom. Upon arriving home, immediately take a shower and change clothes.

Use allergy covers over pillows and mattresses. These zippable and washable covers trap dust mites, microscopic critters who live in mattresses and pillows by the millions and whose droppings stir allergies.

Wash all bed coverings weekly in hot water, which kills dust mites.

Purchase a HEPA filter, which will significantly reduce allergens in a typical bedroom. A HEPA filter should exchange the air in a bedroom about six times an hour, so keep it going on high even when the room is unoccupied and keep the door and windows closed. It can run at a quieter level when it's sleeptime.

Remove carpets and drapes (or wash the latter frequently in hot water).

Don't allow books, magazines and papers to stack up because they accumulate dust.

Try to keep the humidity level in the house below 50 percent, as dust mites and molds appreciate moisture to grow.

Leave a light on in bedroom closets or keep the doors open to discourage mold.

Sorry Bowser and Miss Kitty, no more sleeping with your master.

--- Howard Pousner, hpousner@ajc.com

## THE CULPRITS

**Mold spores:** They are microscopic fungi --- related to mushrooms --- but without stems, roots or leaves. Outdoor mold spores grow in moist, shady areas such as soil, decaying leaves and rotting wood.

**Ragweed pollen:** A hearty green plant prevalent throughout metro Atlanta.

A ragweed plant lives only one season, but that plant produces up to 1 billion pollen grains. After midsummer, as nights grow longer, ragweed flowers mature and release pollen. The No. 1 culprit locally.

## 5 SIGNS IT'S TIME TO SEE AN ALLERGIST OR EAR, NOSE AND THROAT SPECIALIST

Wheezing

Persistent coughing (lasting more than a week)

Discolored sinus discharge (lasting more than a week)

You breathe with your mouth open at night while sleeping (a sign your nose is really blocked)

You've tried over-the-counter medication for a week and symptoms don't improve.

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**Alva Review-Courier Online (OK)**  
**Commissioners approve insurance actuary study**  
**September 15, 2008**  
**By Helen Barrett**

In an ongoing effort to improve benefits for employees while saving costs for the county, the Woods County Commissioners viewed a presentation by Oklahoma Public Employees Health and Welfare Plan during their Monday meeting.

Ross Naylor and Dana McElroy compared the OPEHW plan to Health Choice, which is currently used by the county to provide health coverage for its employees.

Naylor emphasized seven different areas of savings through their company, the most notable being the lower rates for dependent coverage and no-cost diabetic supplies. OPEHW is a self-funded plan created and managed by 47 government entities including 29 counties, the Association of County Commissioners of Oklahoma (ACCO) and CED No. 8, to name a few.

Naylor said the OPEHW plan saves "considerable out-of-pocket" costs to employees. This plan also provides coverage for over-the-counter allergy medications (i.e. Claritin, Alavert, Zyrtec) that Health Choice does not cover.

Dental coverage for OPEHW is through the Blue Cross Network, Naylor said. Currently, two of Alva's four dentists are on the network list.

After hearing the presentation, the commissioners voted to approve an actuary study by OPEHW at no cost to the county. After that is completed, the commissioners will then meet with the representatives again.

**Road Crossing Permits**

Three road crossing permits in District 2 were approved for Atlas. The applications were accompanied by the required \$500 per crossing fee.

**Sheriff's Reports**

The monthly reports for the Woods County Sheriff's Office were approved as follows: Board of Prisoners \$2,673.50; Collections and Fees \$3,967.15.

Warrants, claims and blanket purchase orders were approved.

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**Evansville Courier & Press Online (IN)**  
**Child's runny nose shows vbody's defenses**  
**September 15, 2008**

Children may be unique individuals with distinct personalities, but they all exhibit that classic childhood symptom, the perpetually runny nose. How can one small child produce that much mucus?

A runny nose, also called rhinitis, can be annoying, but it is actually an important part of the body's defense system. Mucus glands in the nose and sinuses secrete huge amounts of slimy stuff every day to moisturize and protect the upper respiratory tract. When the body is challenged by an infection or allergy, the mucus production really kicks into high gear.

A frequent cause of runny nose in children is the common cold. (It's the number one reason for missed school days and doctor visits.) Research studies show that a child can have six to 12 colds per year, especially if he is in school or day care. Each cold may last one or two weeks, resulting in a nearly continuous runny nose for months at a time.

Since colds are caused by a virus, antibiotics are not helpful. Let your child rest to fight off the infection, and give extra fluids to thin the mucus. Over-the-counter or prescription cold medicines will not cure the illness, but in some cases they can be used to relieve symptoms and make your child feel better while his immune system does its job. Ask your doctor for an appropriate medication recommendation.

Allergies are another common source of a recurrent runny nose. (A recent study suggests that 40% of children have symptoms of allergic rhinitis before the age of six.) The nasal drainage associated with allergies tends to be clear, and children often experience nasal congestion and itchy, watery eyes as well. Fever is usually not present.

Treatment of allergies should be aimed toward improving your child's quality of life. If he is eating and sleeping well, school performance is good and he is able to run circles around you, he may not require much more than a reminder to avoid specific allergy triggers and the occasional dose of Benadryl. However, for some children, runny nose is just the start of their problems. Increased fatigue and irritability can lead to poor concentration in school, decreased activity level and a sense of just not feeling well.

For symptomatic children, first-generation antihistamines such as Benadryl will often control the allergic response adequately, but can be quite sedating. Newer second generation antihistamines like Claritin, Allegra, or Zyrtec usually have little or no sedative effect and therefore are good choices for daytime use. Your doctor may prescribe a steroid nasal spray, since they are effective for treating congestion as well as a runny nose. Other prescription medications that can provide relief are also available. Children with more significant symptoms may benefit from referral to an allergist.

Not all rhinitis is infectious or allergic. Exposure to irritants, strong odors, or changes in temperature or weather can all result in a runny nose. Sometimes children have multiple reasons to sniffle, which can affect how they should be treated. Consult your doctor for persistent or troublesome symptoms, but most runny noses will simply run their course. No matter what the cause of your child's runny nose, I am convinced that it is a natural maternal instinct to reach in and wipe it, and it is a child's natural instinct to turn away from mom and fuss!

Dr. Betsy Neahrng practiced pediatrics in Evansville for 10 years before (mostly) retiring to become "Daniel's Mom." Write to her at [drbetsyneahrng@aol.com](mailto:drbetsyneahrng@aol.com).

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***The New York Times***  
**Small Patients, Big Consequences in Medical Errors**  
**September 15, 2008**  
**By Laurie Tarkan**

**(picked up by BlueRidgeNow.com, StarNewsOnline.com, Gatorsports.com, Times Daily Online, Sarasota Herald-Tribune Online, Tuscaloosa News Online, The Ledger Online and Gainesville Sun Online)**

WHEN 6-year-old Chance Pendleton came out of surgery for a wandering eye, it was obvious that something was not right. "He was crying hysterically, vomiting and kept saying, 'I wish I was dead,' " his mother, Grace Alexander, of Paris, Tex., recalled.

The boy had been through surgery before and had never reacted this way. "The nurse was quite peeved and wanted me to calm him before he disturbed anyone," said Ms. Alexander, who said Chance was denied more pain and anti-nausea medication. "She thought he was just throwing a tantrum."

After about 20 minutes, another nurse walked by, and Ms. Alexander beckoned her for help. The nurse checked the intravenous line in Chance's ankle and saw that it wasn't inserted correctly. He wasn't receiving any medication. She immediately fixed it, bringing relief to Chance in a matter of seconds.

Medical mistakes, though also common in adults, can have more serious consequences in children, doctors say. The actor Dennis Quaid's newborn twins nearly died last year after receiving 1,000 times the prescribed dose of a blood thinner. Other infants have died from the same error. A study in the journal *Pediatrics* in April found that problems due to medications occurred in 11 percent of children who were in the hospital, and that 22 percent of them were preventable.

An Institute of Medicine report nearly a decade ago highlighted the prevalence of medical errors, and they are still a major problem. "There's been slow progress in the decline of these errors," said Dr. Peter B. Angood, chief patient safety officer of the Joint Commission, the independent hospital accreditation agency. The agency recently called on hospitals to further reduce medication errors in children.

Children are also the victims of diagnostic errors, incorrect procedures or tests, infections and injuries.

Medical errors pose a greater threat to children than to adults for a number of reasons. They are physically small, and their kidneys, liver and immune system are still developing. Even a tiny increase in the dose of medication can have serious effects — especially in babies born prematurely. And if children take a turn for the worse, they can deteriorate more rapidly than adults. Children also are less able to communicate what they are feeling, making it difficult to diagnose their problem or know when a symptom or complication develops.

Adult medications are prepackaged and have standardized doses, but pediatric medications vary, based on the child's weight and sometimes height, requiring doctors to make calculations. It is easy to misplace a decimal point, a tenfold error.

Typically, an adult formulation is diluted for children, and sometimes "the amount of medication being diluted is smaller than an air bubble in a syringe," said Dr. Rainu Kaushal, director of quality and patient safety at the Komansky Center for Children's Health at NewYork-Presbyterian Hospital/Weill Cornell Medical Center.

"A pharmacist can get orders for 55 milligrams, 65 milligrams, 70 milligrams of the same medication," said Michael R. Cohen, president of the Institute for Safe Medication Practices, a nonprofit health care education organization. And medications for children come in different formulations, from drops to liquids to chewables. These variables increase the chance of human error, Dr. Kaushal said.

The Joint Commission reported that about 32 percent of medication errors in children in the operating room involved the wrong dose, compared with 14 percent in adults.

But not all errors happen in hospitals. Karen Rhodes was giving her 2-year-old daughter, Lanie, the prescription medication Zyrtec for allergies three times a day, as the label indicated. But Lanie began to suffer tremors, her breathing grew shallow, and she became "zoned out," her mother said. It turned out she was getting three times the recommended dose; the drug should have been taken once a day. It was the pharmacist's error, said Mrs. Rhodes, of Spartanburg, S.C.

At the American Academy of Pediatrics annual meeting in 2006, Dr. Kaushal reported that potentially harmful medication errors affected 26 percent of children in outpatient care.

"There needs to be more medications specifically manufactured for the pediatric population, more standardized dosing regimens and very accurate and clear labeling and packaging of medications," said Dr. Angood of the Joint Commission. A labeling issue caused the mix-up that led to the overdose of the Quaid twins. The label for a 10-unit dose of the blood thinner heparin, which is used to flush intravenous lines, looked similar to the label of the 10,000-unit dose that the twins were given.

TECHNOLOGY has helped to reduce medication errors. Two methods are favored by experts: an electronic prescribing system known as computerized physician order entry, and a system in which a bar code assigned to a patient is swiped against the bar code of the drug he is about to receive.

But these technologies are expensive and require training. Only about 10 percent of hospitals in the United States use computerized prescribing, and 20 percent use bar coding, said Dr. Cohen. One technology, adopted by about half of the hospitals in the United States, is the smart pump, a programmable intravenous device that regulates the amount and timing of drug delivery. Infections, which are considered errors because they are preventable, are also common among children being treated in hospitals. Studies of neonatal and pediatric intensive care units found that infections topped the list of medical errors, followed by medication errors and injuries from catheters (many are left in too long), said Dr. Paul J. Sharek, chief clinical patient safety officer of the Lucile Packard Children's Hospital at Stanford in Palo Alto, Calif.

Misdiagnosis is also common and can lead to serious complications or death. A study of malpractice lawsuits involving children visiting emergency departments found that meningitis, appendicitis and broken arms were the most common misdiagnosed conditions.

Hospitals can take simple measures to reduce mistakes. For example, when members of a surgical team take a time-out a moment before operating to check that they have the right patient, the right procedure and the correct location, errors are reduced.

Parents need to be the eyes, ears and advocates for their children. "Parents have to pay attention and speak up," said Dr. Steve Selbst, professor of pediatrics at Jefferson Medical College in Philadelphia, who conducted the study on malpractice suits. "You know your child, and if you feel something's wrong, go up the chain of command."

Chance Pendleton's mother said she was not aggressive enough. "I wish I had been more confrontational sooner," she said. "That was the worst 20 minutes of my life."

Here are some tips from experts for parents to lower the chance their child will be harmed by his or her treatment.

**ID BRACELETS** If your child is in the hospital, make sure the identification bracelet is worn at all times.

**HYGIENE** Ask all health care providers to wash their hands before approaching your child.

**INFORMATION** Before a procedure, ask the surgery team's members if they know exactly what the procedure is.

**KNOWLEDGE** Schedule a time every day to review with the physician and nurses the medications your child is taking and any other information about his care.

**AWARENESS** Keep an eye on catheters and incisions, looking for redness and swelling.

**ASK QUESTIONS** If your child is very sick, make sure a pediatric specialist is involved, and ask whether your child should be moved to a children's hospital.

**TALK ABOUT IT** Express your concerns about a missed diagnosis.

**BE PREPARED** Carry a list of the medications your child is taking and remind doctors about any allergies your child has.

**DOUBLE-CHECK** Understand why medications are being ordered, and don't be afraid to ask the doctor to double-check that he used your child's correct weight and height in calculating the dose.

**MEDICINES** Familiarize yourself with the medications so that you can recognize if your child is given the wrong pill or liquid. Ask about potential complications and whom to contact if your child has a reaction.

**VIGILANCE** Be especially watchful if your child is taking multiple medications or is on high-risk medications like chemotherapy drugs, insulin or heparin, or if your child has a compromised immune or organ function.

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#### **Rochester Democrat and Chronicle Online**

##### **Health checkup: Drug mix-ups**

**September 10, 2008**

**By Jane Sundberg**

More than 1,000 drugs have names that are so similar that anyone dealing with medications can get them mixed up. Poor handwriting or a blurry faxed prescription can contribute to the confusion.

Lamictal, used to treat epilepsy, looks a lot like Lamisil, an antifungal drug. Patients who've received Lamictal by mistake have suffered seizures.

Some other frequently mixed-up drugs are Sarafem (to treat severe premenstrual symptoms) and Serophene (infertility); Zyprexa (antipsychotic) and Zyrtec (the antihistamine); Sertaline (antidepressant) and Seroquel (antipsychotic). One of the worst mix-ups resulted in death when a patient received the antipsychotic Chlorpromazine instead of the diabetes medicine Chlorpropamide.

Manufacturers of drugs are rarely forced to rename a drug already on the market. However, companies have started to change labels on the bottles. Names now appear in a mix of upper and lower case with different colored letters, for example ChlorproMAZINE and ChlorproPAMIDE.

Companies are allowed by the Food and Drug Administration to market the same active ingredient under different brand names for different conditions. This can cause confusion, lead to duplication and unintended overdoses. An example is a patient who was being treated for depression and prescribed Wellbutrin (brand name) by one doctor and bupropion (generic name



of Wellbutrin) by another. He then was prescribed Zyban (bupropion) for smoking cessation by a third doctor. This led to triplicate therapy and the patient going to the emergency room.

Other examples include Propecia and Proscar (both finasteride) and Sarafem and Prozac (both fluoxetine). More examples of duplicate therapy may include Lyrica and Neurontin for pain, Cymbalta and Effexor or Pristiq for depression and Meridia and any of the selective serotonin reuptake inhibitors like Celexa.

To reduce some of the confusion, the federal government next year will boost Medicare payments to doctors who send prescriptions electronically to a pharmacy, rather than writing them out on paper. Electronic prescriptions are expected to decrease an estimated 1.5 million injuries caused each year by drug-related errors.

Even that won't eliminate all errors.

Patients must stay vigilant. Keep a list of all medications to show doctors and know both the brand name and generic name when applicable. Ideally, have prescriptions dispensed from the same pharmacy and talk to a pharmacist about the medication just prescribed and those you already are taking.

Jane Sundberg, doctor of pharmacy, is a psychiatric clinical pharmacist at Strong Health's department of pharmacy.

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**QualityHealth.com**

#### **10 Worst Cities for Fall Allergies**

**Is your city making you sneeze? High pollen and mold counts make some places worse than others.**

**September 9, 2008**

**By Valerie Banner**

It's so uncomfortable. The watery eyes, the scratchy throat, the runny nose. The annoying (and sometimes, downright miserable) feelings associated with seasonal allergies are familiar to almost half of all Americans, according to a QualityHealth.com HealthOpin poll. For some seasonal sufferers, the city where they live makes allergy season even more challenging, due to high pollen and mold counts.

The good news for all allergy sufferers, regardless of where they live, is that relief is available. The first step for people with allergies is to try to prevent symptoms before they start, says Danica Schulte, MD, an attending physician with the Division of Pediatric Infectious Diseases, Allergy and Immunology at Cedars Sinai Medical Center in Los Angeles.

She suggests keeping your windows closed and running a dehumidifier to reduce pollen counts, to use dust mite covers on your pillows, and to keep pets out of your bedroom. If you're already experiencing symptoms, try taking an antihistamine like Zyrtec.

#### **Miserable Cities for Allergies**

Find out if where you live is one of the top ten worst cities for allergies, as rated by the Asthma and Allergy Foundation of America (AAFA). The rankings were based on the prevalence of airborne grass/tree/weed pollen and mold spores, the number of allergy medications used per patient, and the number of allergy specialists per patient.

1. Greensboro, North Carolina. Perhaps the key reason why Greensboro sits at the top of this list is in its name. All the greenery that makes this southern town so lush may also worsen allergy symptoms. In the fall, ragweed and other weeds and grasses are most likely to aggravate allergies. "Weeds can be as troublesome as springtime allergies," says Schulte. And in a town

like Greensboro, which boasts more than 170 parks, it probably produces enough ragweed and pollen to make an allergy sufferer miserable.

2. Greenville, South Carolina. Much like Greensboro, the green trees and plants that help give Greenville both its name and its beauty can also be an allergy sufferer's worst nightmare. People with asthma must also be particularly careful in Greenville and the other cities on this list. Allergy symptoms can trigger asthma, says Schulte. People with asthma should be especially cautious about preventing allergy flare-ups.

3. Little Rock, Arkansas. Like other parts of the country in the fall, a common allergy trigger for people living in Arkansas could be weeds. However, higher than average levels of mold are another possible trigger in Arkansas. Molds, which grow on rotting logs, compost piles, and grasses, spread when their spores become airborne.

4. Raleigh-Durham, North Carolina. In Raleigh-Durham, it's weeds that are the biggest allergy offenders. Weak leaf, yellow Indian grass, and yellow nut sedge are other possible perpetrators. Although Raleigh is proud of its tree-lined streets, residents who are allergic to tree pollen may not enjoy them quite as much. Spring, when most trees pollinate, may be an even worse season for these sufferers.

5. Jackson, Mississippi. In Mississippi, as in other many other parts of the country, Bermuda grass and ragweed are possible triggers. The American College of Allergy, Asthma & Immunology (ACAAI) says pollen is released into the air in the morning and is usually most widely circulating between 10 a.m. and noon, so it's best to stay indoors during that time to reduce your symptoms regardless of where you live.

6. Knoxville, Tennessee. Molds, weeds, and grasses could be making life miserable for allergy sufferers in Knoxville. In particular, a grass called redtop and an herb known as garden sorrel (which is sometimes used in salads) could be culprits.

7. Grand Rapids, Michigan. Here, it's weeds, including ragweed, plantain and nettle, that are the worst in the fall. If you have to be outside and are concerned about triggering an allergic reaction, be sure to change your clothes and take a shower immediately after being outside.

8. Wichita, Kansas. If Dorothy had allergies to ragweed or chenopods, it would have been beneficial to her to not be in Kansas any more. In the fall, weeds and molds are especially problematic for allergy-prone Kansas residents.

9. Oklahoma City, Oklahoma. It made for memorable song lyrics, but if Oklahoma really is where the wind comes sweeping down the plains, that's bad news for allergy sufferers. That same wind is very likely to carry with it thousands of pollen grains from weeds and grasses like ragweed, chenopod, dock, and wheatgrass--exactly what could set off seasonal allergies.

10. Madison, Wisconsin. Although it is known for its cheese, not its weeds, Wisconsin residents and visitors who have allergies may focus more on the weed pollen this time of year. Weeds like amaranth, pigweed, and tumbleweed are common in Wisconsin, and some molds flourish there, too.

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**Canton Repository Online**  
**Suffering from hay fever? Blame ragweed!**  
**September 9, 2008**  
**By Diana Rossetti**

Call it Indian summer if you like, though, technically, those are the sunny days following the first frost. But those beleaguered by allergies, ragweed in particular, call this time of the year something else entirely. And it is unprintable.

Do we even recognize these troublesome and ubiquitous weeds when we see them? City dwellers may not if their lawns and those of their neighbors are well tended. Ragweed usually is found along rural roadways, in ditches and fields. But the plant's pollen can be in the air we breathe anywhere.

Drive along a country lane where nothing worthwhile seems to be growing and you'll find ragweed. Winter work of road crews spreading salt doesn't kill it. Neither do torrential wash-outs or accidental cultivation. In short, where nothing else can survive, ragweed does. And it is no consolation to know that seeds buried dormant in the soil for decades can spring to life again when the conditions are right.

For all its aggravation factor, ragweed is an unremarkable-looking annual broadleaf weed. While the showy flowers of goldenrod growing nearby often take the blame for ragweed's dirty deeds, the two have no real relationship save for the fact that they both thrive in inhospitable conditions.

#### WHAT IS RAGWEED?

Local horticulturists describe ragweed as rarely growing to more than a half foot tall, usually less. Its tannish-green flower stalks attract little attention compared to goldenrod's glory. And its leaves are flat with ragged, toothy indentations, hence the name.

If September bestows upon you a tsunami of sneezing, itchy eyes and runny nose, then ragweed likely is the culprit.

"We are really swamped with people this time of year," commented Dr. Steven J. Ossakow, a board-certified otolaryngologist with Ohio Head & Neck Surgeons on Higbee Ave. NW in Jackson Township. He also is a clinical assistant professor of otolaryngology at Case Western Reserve School of Medicine. "Between mid-July and the first good frost, ragweed pollen is at the highest."

Often called hay fever because of its association with the time farmers bale hay, the allergy, Ossakow said, is an equal opportunity annoyer.

"Young children, men, women, teens. Anyone can have it," he continued. "If you're congested and your eyes are itching and your throat is itching, it is an obvious ragweed allergy. It's blowing around. The Ohio River Valley that we're part of is particularly bad for allergies of all kinds. And you have to factor in the mold counts that have been pretty high, too."

So, what to do?

Identifying the allergy before the season allows patients to begin an ongoing program of immunotherapy, or desensitization injections, he advised.

Also effective for some untreated patients in the throes of the pollen season are Claritin and Zyrtec, once prescription allergy drugs that now are available over the counter. Nasal steroid and antihistamine sprays also help but prescription versions are stronger, thus more effective, than those plucked from a drugstore shelf.

Dermatologists report that ragweed even is the culprit in some skin rashes.

Allergy sufferer April Moser of Dalton said she has used Zyrtec since learning it no longer required a prescription.

"It has been a godsend because we live out and there's a lot of farms around us," she said, product in hand at the Wales Avenue NE Rite-Aid check-out line in Massillon. "It used to seem like one long cold just about fair time every year."

For 30 years, licensed practical nurse Debbie Ross has worked in Ossakow's office performing laboratory tests for patients. She stressed that there is no quick fix for pollen allergies.

"But with patients who come back regularly for the (desensitization) shots, we see amazing results," she said. "So don't think you have to live with it."

And take heart, for allergy research is ongoing. At the University of Wisconsin School of Medicine and Public Health, Dr. Mark Moss is testing a pump-spray, self-treatment alternative to weekly allergy shots.

Just before ragweed season began, 426 allergic adults at 31 U.S. research centers began participating in a placebo-controlled study. The test period is three months and findings are expected by spring. Individuals interested in participating in future ragweed studies may contact the UW Allergy and Asthma Research Clinic at (608) 263-6049.

Reach Diana Rossetti at (330) 580-8322 or e-mail [diana.rossetti@cantonrep.com](mailto:diana.rossetti@cantonrep.com).

#### DON'T BLAME GOLDENROD

Many of us picture ragweed as the plant whose image once decorated the covers of our elementary school notebook pads filled with yellow, lined paper. That was goldenrod, a completely different plant that long has been mistaken for ragweed.

Goldenrod is a perennial species of the genus, *solidago*. It, too, can be found where ragweed grows. Both bloom at about the same time. Right now its bright golden yellow flower heads are highly visible.

But goldenrod is not the guilty party where hay fever allergies are concerned. Its pollen is too heavy and sticky to be carried about on air currents.

#### KNOW WHEN YOU'RE MOST VULNERABLE

Though air quality and pollen counts usually are available from news media, you can call the National Allergy Bureau at (800) 9-POLLEN or visit the Web site of the American Academy of Allergy, Asthma and Immunology at [www.aaaai.org](http://www.aaaai.org) to learn the pollen count in your area. Information from the Asthma and Allergy Foundation of America (AAFA) suggests sufferers stay indoors with air conditioning during times of high pollen counts. In urban area, counts peak between 10 a.m. and 3 p.m. That organization notes that people with ragweed allergy also may suffer symptoms when they eat cantaloupe and bananas.

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#### ***Drug Store News***

##### **Cough-cold switch products add to category sales**

**September 8, 2008**

**By Barbara White-Sax**

Rx-to-OTC switched products still dominate the cough-cold and allergy categories. A recent report on the category from Mintel International revealed that recent Rx-to-OTC switches in the allergy category did not cannibalize sales of existing tablet products, instead they boosted the entire segment.

Retailers have been getting a similar lift from the OTC version of the recently switched Zyrtec. "The December 2007 launch of an OTC Zyrtec will continue to bump the category up in 2008/2009," said Laura Mahecha, industry manager for Kline & Company's healthcare practice. McNeil Consumer Healthcare's Zyrtec was switched in November 2007, just in time to land on store shelves for the 2008 allergy season. "The Zyrtec switch was definitely huge," said Kyle

Lentz, health and beauty aids analyst for the market research company Hamacher Resource Group.

Unlike many other switched products, Zyrtec was not granted exclusivity by the Food and Drug Administration, so the market is wide open for private-label cetirizine HCl products. "The OTC version of Zyrtec was not given three-year exclusivity, so we had private-label products right out of the gate. CVS, Walgreens and Wal-Mart store brands have already hit the shelves, and we expect more," Mahecha said.

Lentz said Hamacher's planograms recommend that stores stock one private label "compare to" for count-size SKU of Zyrtec. "Private label is definitely strong in Zyrtec," he said.

Competitor Schering-Plough's Claritin, another Rx-to-OTC switch that has owned the category for some time, now has a fight on its hands. Schering-Plough is the category leader, according to Mintel, with category sales at \$441 million in 2007. "Claritin drove a lot of growth in the category last year, the brand was up 15 percent. I think there will be a lot of competition between the two brands," Mahecha said.

"Claritin is definitely losing share to Zyrtec," Lentz said. "I expect to see more advertising and more line extensions from the brand." Schering recently introduced Children's Claritin Grape Chewable tablets.

Going forward, Schering may look to its Clarinex brand, an allergy prescription product with a slightly different formulation, as a possible switch in 2009 or 2010 when the product goes off patent. "There's not a lot of difference between Claritin and Clarinex, and it could cannibalize Claritin sales, but it will be interesting to see what Schering does in the next year to 18 months," Mahecha said.

The allergy eye care segment is still riding on two switched products introduced in 2006. Bausch & Lomb's Alaway and Novartis Pharmaceuticals Corp.'s Zaditor, two drop products specifically for allergy relief, have performed well. "Typically eye care products are a small part of the category, but we saw some nice growth there," Mahecha said.

Most of the action in the cough-cold category has been in line extensions. "There's a lot of activity in ease-of-use, such as chewables or dissolvable strips, as well as one-a-day dosages," Mahecha said. Mintel's research shows that consumers prefer longer lasting formulas and multi-symptom products.

The market has been strong for cold/allergy/sinus products, with dollar sales in the drug channel up more than 15 percent for the 52 weeks ended July 13, 2008, according to Information Resources Inc. Tablets account for 65.2 percent of the cold/allergy market, according to Mintel.

Sales of private-label products account for nearly 15 percent of sales. In addition to category powerhouse brands, Adams Respiratory Therapeutics's Mucinex has become a huge player with one brand. The brand is poised to become bigger still since Adams was acquired in 2007 by Reckitt Benckiser.

Launched in 2004, Mucinex has become a power brand in the category. The company's Mr. Mucus ads and the product's corner on the 12-hour expectorant market have helped the brand grow 22 percent from the first quarter of its fiscal year to June 2008.

For the 52 weeks ended July 13, IRI data showed that dollar sales of Mucinex DM tablets jumped nearly 30 percent, and dollar sales of Mucinex D rose 40 percent. "I'm not sure what the new owner will do with the line, but I expect we'll see more new products coming from them," Mahecha said.

The children's segment of the category took a hit last October when all manufacturers voluntarily recalled all infant cold formulas following an FDA advisory panel's finding that children's cold, flu and allergy products are possibly ineffective and unsafe for children ages 6 and under. Mintel analysts see the possibility of further restrictions on children's remedies in general as a significant threat to growth in the market. "The concern has been about products for children under [age] 2, but it may extend to children under [age] 6 and that will have a big effect on this year's cough-cold season," Lentz said. On Oct. 2, the FDA will host a public meeting to discuss the issue.

Lentz said the recall has led to a surge in popularity of natural products-a segment that has already been on the rise. "There's been a wave of newer, natural products in the kids and adult segments," he said. Mahecha warned that even natural products are subject to tough scrutiny. Knight-McDowell recently settled a \$23 million class action suit for falsely claiming its Airborne product cures and prevents colds. "That might have some spillover effect on herbal brands like Cold-Eeze and Cold-fx," she said.

One area of growth has been saline-based, all-natural nasal washes. "We've seen a boom in sales of NeilMed Pharmaceuticals' NasaFlo Neti Pot since it was featured on Oprah," Lentz said. "The numbers are incredible; it's really a hot market."

More growth is likely for nasal sprays, strips and inhalers, which generate 15.5 percent of category sales, according to Mintel. "Schering-Plough is introducing an Afrin pure salt water nasal spray, and Novartis Consumer Health is introducing Triaminic Pure Remedies natural saline mist," Lentz said.

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**Southtown Star Online (IL)**  
**Life101: How to treat an insect sting**  
**September 5, 2008**  
**BY DONNA VICKROY**

Fall brings magnificent color, including the blazing yellow found on the backs of those pesky wasps.

Constantina Tucker, a family physician at Little Company of Mary Hospital's Burbank Medical Center, said people should avoid stinging insects as best they can.

"Don't swat at them. Don't disturb their nests. Keep outdoor areas free of garbage. And avoid wearing strong lotions and perfumes," she said.

If you do suffer a sting, Tucker said, it's important to know how to treat it.

First, be aware that there are various kinds of reactions that can occur with insect stings. A local reaction can be treated with over-the-counter products.

A more serious systemic allergic reaction should be treated by a physician, and quickly. Symptoms of a severe reaction can include difficulty breathing, swelling, dizziness and nausea. People with known allergies to bee or wasp stings need an epinephrine injection, so call 911 immediately or transport the person to the emergency room.

"Don't wait for symptoms to appear in such cases," she said. "Forty deaths in the United States each year are attributed to anaphylaxis."

To treat a more common local reaction, Tucker advises:

- First, remove the stinger quickly. You can pull it out or scrape it out with a card or piece of plastic.
- Clean the area with soap and water.
- Apply ice or a cold compress to the sting site.

- Local itching and burning can be treated with any type of antihistamine, including Benadryl, Claritin and Zyrtec. Use ibuprofen or acetaminophen for pain. And topical corticosteroid creams, such as Calamine lotion, can help alleviate inflammation.
  - Avoid scratching the area so that a secondary bacterial infection does not develop.
  - If swelling, redness or pain worsens or spreads to the surrounding area, or if you develop fever or chills, or if symptoms persist for more than three days, contact a physician.
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#### **HealthDay News**

**No Place Safe From Allergies: Most can be controlled, but you need to know what triggers them, experts say**

**September 5, 2008**

**(picked up by U.S. News & World Report Online, Washington Post Online, Austin American-Statesman Online, Atlanta Journal Constitution Online, Forbes.com, HealthCentral.com and EmpowHer.com)**

FRIDAY, Sept. 5 (HealthDay News) -- If you are one of the 36 million Americans who suffer from seasonal allergies, there is nowhere in the United States that is free from pollen and other allergens this fall, a new report shows.

Allergies don't only happen in the spring, they can be bothersome in other seasons as well. In the fall, the most challenging cities to live in are Greensboro, N.C., Greenville, S.C., Little Rock, Ark., Raleigh-Durham, N.C., and Jackson, Miss., according to the report from the Asthma and Allergy Foundation of America.

"We started doing this report to find places where people with allergies could go," said foundation spokeswoman Angel Waldron. "The answer is, there is nowhere you can go."

A low pollen area in one part of the country may mean a higher mold count, Waldron said. "It's not until you go to a new place that you find out that other allergens are just as troublesome," she said.

Waldron noted that even though the top cities for allergens are in the South, there have been major fluctuations over the six years the foundation has been producing its annual reports.

In the report, the foundation rates 100 cities in terms of allergy risk factors. Among the top 25 are Greensboro, N.C., Knoxville, Tenn., Tulsa, Okla., Augusta, Ga., Memphis, Tenn., Greenville, S.C., Grand Rapids, Mich., Chattanooga, Tenn., Louisville, Ky., Des Moines, Iowa, Little Rock, Ark., Wichita, Kan., Birmingham, Ala., San Antonio, Scranton, Pa.; Raleigh-Durham, N.C., Oklahoma City, Okla., New Orleans, Columbia, S.C., St. Louis, Jackson, Miss., Madison, Wisc., Harrisburg, Pa., Charlotte, N.C., and Bridgeport, Conn.

"There is no cure for allergens. There is nowhere you're going to be able to move to completely escape them," Waldron said. "However, with allergy testing and proper management, you can live a comfortable life without limits wherever you go."

The important thing is to find out what triggers your allergies, Waldron said. Allergies can be exacerbated by things encountered outside such as pollen, but there are also indoor triggers such as pet dander and dust mites.

The report was paid for by McNEIL-PPC Inc., maker of the allergy drug Zyrtec.

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#### **San Antonio Business Journal Online**

**San Antonio listed as one of worst cities for fall allergies**

**September 4, 2008**

San Antonio has been named one of the worst cities in America for allergy sufferers, according to a research project by the Asthma and Allergy Foundation of America.

San Antonio is the 18th worst city in the country for fall seasonal allergies on the 2008 Fall Allergy Capitals list. The most common outdoor allergens are ragweed and pollen, which causes runny noses, watery eyes, sneezing or nasal congestion.

The foundation's research was sponsored by the McNeil Consumer Healthcare Division of McNeil Inc., the makers of allergy medicine Zyrtec and Tylenol. McNeil is a subsidiary of Johnson & Johnson (NYSE: JNJ) in New Brunswick, N.J.

The top five cities for allergies are Greensboro, N.C.; Greenville, S.C.; Little Rock, Ark.; Raleigh-Durham, N.C.; and Jackson, Miss.

The Fall Allergy Capitals research also found that overall pollen concentrations have increased in the top 100 list allergy cities. More than 36 million Americans suffer from seasonal allergies.

"Whether a city is ranked number 100 on the Allergy Capitals list or number one, it's essential for allergy sufferers to take the appropriate steps to manage their allergies," says Mike Tringale, director of external affairs at AAFA.

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**Colorado Gazette Online**  
**Fall allergies? Things could be a lot worse**  
**September 3, 2008**  
**By BRIAN NEWSOME**

For allergy sufferers who dread the end of summer as they prepare to sneeze their way through the fall, take heart: It could be worse.

Colorado Springs is No. 81 on the list of 100 major cities ranked according to how bad they are for fall allergy sufferers, with No. 1 being the worst. The

Springs falls between Atlanta and Providence, R.I. Even though Denver is just miles up the road, it was ranked No. 68.

The South is apparently the most miserable place to live if you have fall allergies, with Greensboro, N.C., ranked No. 1, followed by Greenville, S.C. The best place? The Pacific Northwest. Portland, Ore., received the best score, followed by Seattle.

Why the focus on fall?

Late summer and early fall bring some of the most common allergens, which, in Colorado, include sagebrush, tumbleweed, ragweed, kochia and a host of other trees, plants and weeds, said Dr. William Storms, a Colorado Springs allergist.

Colorado Springs likely ranks low on the list because fewer things grow in its dry climate compared with places with more humidity.

The Pacific Northwest ranks low because the constant rain washes away the pollen.

National surveys just tell a small part of the story, Storms said. In Colorado, for example, high winds can worsen allergies, even when pollen counts are lower than in other places. And some pollens here, such as tumbleweed, aren't found elsewhere.



This year's allergy season got off to a late start, but in recent weeks has been "gangbusters," Storms said. He attributed the delay to a dry July, the start of the growing season for many of the worst-offending plants, trees and weeds. The spate of August rain then got everything growing.

Although rankings might mean little for the miserable allergy sufferer, doctors say over-the-counter medications such as Claritin and Zyrtec can help. Additional medicines and treatments are available through a physician.

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**Barrons.com**

**Drug Retailers May Show Weakness: The economic malaise and other factors will weigh on August sales.**

**September 2, 2008**

**By Edward J. Kelly, CPA and Jay Carlington**

Walgreens (ticker: WAG) reports Wednesday, Sept. 3 while Rite Aid (RAD) and Longs Drug Stores (LDG) will publish on Thursday, Sept. 4.

Weak prescription trends continue. IMS month-to-date prescription volume has been essentially flat through Aug. 22, slightly below July's disappointing 0.5% gain.

Economic weakness, the transition of Zyrtec to over-the-counter, safety concerns on certain drugs, and a general lack of innovation continue to weigh on pharmacy sales.

Walgreens' comparable-store sales should be in line with recent trends, excluding a large calendar shift. We project that Walgreens will report an August sales gain at comparable stores of only 2%. Pharmacy comparable-store sales are estimated to improve 1.0%, as we project that a large calendar shift (one less Wednesday and Thursday, one additional Saturday and Sunday) will penalize prescription growth by over 300 basis points.

Pharmacy comparable-store sales excluding this shift should be in line with recent trends. Front-end comparable store sales are projected to improve 4.0%, as aggressive promotions should continue to drive traffic.

Rite Aid comparable-store sales should continue to improve. We project that Rite Aid will report an August comparable-store-sales gain of 1.5%-2.0%, driven by a 1.5% increase in pharmacy and a 2.0% gain in the front-end. [Rite Aid subsidiary] Eckerd comparable-store sales should continue to improve sequentially on easy comparisons, although sales are expected to remain modestly negative. We project an Eckerd comparable-store-sales decline of 1% (versus a 3.8% decline last month), driven by a 1% decline in both pharmacy and the front-end. Core Rite Aid comparable-store sales are projected to increase 3.0%, with an equal gain in the front-end and pharmacy.

Longs' comparable-store sales are expected to remain weak. With management's focus now shifted towards completion of [being acquired by] CVS Caremark (CVS), we believe that Longs will likely continue to post weak results. We project a total comparable-store sales decline of 2.5% in August, reflecting a pharmacy comparable-store-sales decline of 1.0% and a front-end decrease of 4.0%.

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**Associated Press**

**Beware of drug names that look, sound alike**

**Celebrex or Celexa? 1,500 common meds have caused mix-ups, study says**

**September 1, 2008**

**By LAURAN NEERGAARD**

(picked up by Forbes.com , CBSNews.com, FOXNews.com, MSNBC.com, NPR.com, Los Angeles Times Online, Chicago Tribune Online, Denver Post Online, Philadelphia Inquirer Online, San Francisco Chronicle Online and Newsday Online)

WASHINGTON - Take the generic drug clonidine for high blood pressure? Double-check that you didn't leave the drugstore with Klonopin for seizures, or the gout medicine colchicine.

Mixing up drug names because they look or sound alike — like this trio — is among the most common types of medical mistakes, and it can be deadly. Now new efforts are aiming to stem the confusion, and make patients more aware of the risk.

Nearly 1,500 commonly used drugs have names so similar to at least one other medication that they've already caused mix-ups, says a major study by the U.S. Pharmacopeia, which helps set drug standards and promote patient safety.

Last week the influential group opened a Web-based tool to let consumers and doctors easily check if they're using or prescribing any of these error-prone drugs, and what they might confuse it with. Try to spell or pronounce a few on the site — <http://www.usp.org/> — and it's easy to see how mistakes can happen. Did you mean the painkiller Celebrex or the antidepressant Celexa?

Due out later this fall is a more patient-oriented Web site, a partnership of the nonprofit Institute for Safe Medication Practices and online health service iGuard.org, that will send users e-mail alerts about drug-name confusion.

And the Food and Drug Administration — which currently rejects more than a third of proposed names for new drugs because they're too similar to old ones — is preparing a pilot program that would shift more responsibility to manufacturers to guard against name confusion. The goal is to spell out how to better test for potential mix-ups before companies seek approval to sell their products.

"There are so many new drugs approved each year, this problem can only get worse," warns USP vice president Diane Cousins.

At least 1.5 million Americans are estimated to be harmed each year from a variety of medication errors, and name mix-ups are blamed for a quarter of them.

Rarely does a company change a drug's name after it hits the market, although it's happened twice since 2005. The Alzheimer's drug Reminyl now is named Razadyne, after mix-ups, including two reported deaths, with the old diabetes drug Amaryl. The cholesterol pill Omacor is now named Lovaza, after mix-ups with blood-clotting Amicar.

Doctor's penmanship only part of problem

Doctors' notoriously bad handwriting isn't the only culprit. A hurried pharmacist faced with alphabetized bottles on a shelf might grab the wrong one.

Nor are computerized prescriptions a panacea. A doctor who e-prescribes still can click the wrong row on the alphabetized screen, picking the bone drug Actonel instead of the diabetes drug Actos.

Phone or fax a prescription, and static or smudged ink can turn the epilepsy drug Lamictal into the antifungal pill Lamisil.

Harder to measure but perhaps more common: A doctor means to prescribe a new drug but spells out a similar-sounding old one out of habit. Or the patient misspells or mispronounces one of his drugs, and a health worker assumes it's the schizophrenia drug Zyprexa, not the antihistamine Zyrtec.

"We've had cases where a health care professional repeats what they think the patient's on, and the patient thinks they must know what they're talking about and agrees," says USP's Cousins.

Enter the new Web tool. Cousins advises consumers to check it against their current medications, so they know to pay more attention to confusing ones at refill time.

Do pills look different?

Question the pharmacist if the tablets look different than last time — it might just be a new generic, or it might be the wrong drug altogether, says pharmacist Marjorie Phillips, medication safety coordinator at MCGHealth, the Medical College of Georgia's health system.

Patients also can ask their doctors to write the diagnosis on the prescription, a step that pharmacists told the Institute for Safe Medication Practices would help them prevent errors.

"What they consider most important is knowing why the medication is used," says institute president Michael Cohen. "It would go a long way to interrupt a lot of these mix-ups."

Write "for heart" next to "clonidine," for example, and a pharmacist is less likely to grab similar-sounding gout pills.

But specialists are urging more research on another widely touted solution: Writing drug names in an eye-catching mix of upper- and lower-case letters. It sometimes helps but can backfire, warns Dr. Ruth S. Day, director of Duke University's medical cognition laboratory. She found users of a heart drug got even more confused with it was written NIFEdpine — because the change made them pronounce it "KNIFE-duh-peen" instead of "nie-FEH-duh-peen."

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***The Wall Street Journal***  
**Belgian Drug Maker UCB to Cut 2000 Jobs**  
**August 29, 2008**

**(picked up by Bloomberg and *Pink Sheet Daily*)**

Belgian pharmaceuticals company UCB SA said it plans to eliminate 2,000 jobs, or 17% of its work force, in an effort to focus on its best-performing businesses.

The job cuts should lead to the reallocation of 300 million euros (\$441.6 million) over the next three years, which the company plans to use to strengthen its research in central-nervous-system disorders and immunology diseases.

UCB earlier this month reported a 37% drop in its first-half net profit, mainly because the U.S. patent for its Zyrtec allergy drug expired. This declining performance prompted the company to launch its cost-savings program.

UCB's exclusive U.S. patent for its main product, antiepileptic drug Keppra, will expire in January.

Other major pharmaceutical businesses -- such as U.S.-based Johnson & Johnson -- are cutting costs and jobs as they lose income with the end of their exclusive right to sell the medicines they developed.

UCB shares have shed 36% of their value in the past 12 months.

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**UCB Press Release**  
**UCB launches SHAPE, focusing on its Biopharma specialist efforts, and intends to reduce its world-wide workforce**  
**August 28, 2008**

UCB has launched "SHAPE", a major global project to realize its transformation into a focused specialist company in CNS (Central Nervous System) and immunology disease areas. By this project, UCB aims to increase focus on its core assets, re-deploy its resources, advance R&D and simplify its organisation, while successfully delivering UCB's new medicines to patients. SHAPE should lead to re-allocation of EUR 300 million within the next three years, improving both competitiveness and profitability. As part of SHAPE, UCB intends to reduce its workforce by 2000 positions throughout the world, representing approximately 17% of its world-wide workforce.

BRUSSELS, BELGIUM - August 28, 2008 - press release, regulated information - UCB today informed its employees and its respective employee representatives about the details of its intention to further shape UCB for the future and to accelerate its transformation to become a specialist company. With a stronger focus on its core assets, UCB aims to redeploy its resources, to simplify its organization and to adapt for new skills necessary to shape the company for the future. UCB intends to reduce its world-wide workforce by 2000 positions which is planned to be achieved by making around 2400 positions redundant and by creating around 400 new positions. At the same time, an estimated 300 positions would be re-deployed to UCB's core sites. This project is subject to the information and consultation procedures which may apply in the different impacted countries.

"Patent expiries are challenging times. However, following the recent approval of Cimzia® for Crohn's disease in the U.S. and the positive opinions for Neupro® for RLS and Vimpat® for epilepsy in Europe, the time is now to take action to shape UCB for the future and become a specialist company focused on successfully delivering our new medicines to patients. Earlier this month, we announced the 'SHAPE' project, which aims to re-allocate EUR 300 million within the next three years towards increased investments into UCB's core CNS and immunology business areas while also seeking to improve UCB's competitiveness," says Roch Doliveux, CEO of UCB. "We will help our employees to go through the changes ahead of us. Our priority will be to look for solutions that lead to a new future. We aim to achieve this through an open and constructive dialogue with our social partners around the globe."

SHAPE: UCB's Project for Stronger Focus on its Core Business, Building the Next Generation Biopharma Leader

SHAPE aims to:

- \* re-deploy UCB's resources on its growth drivers and core assets while structuring the organisation accordingly
- \* simplify and clarify UCB's organisation, including flattening hierarchies and consolidating core functions in core sites
- \* focus on core skills and adapt the competencies for the future
- \* build the future pipeline by investing in breakthrough research and innovation
- \* increase utilisation of out-sourcing for non-core activities

These combined efforts should result in enhancing UCB's profitability and competitiveness in the fast-changing biopharma world.

Background on SHAPE

UCB is actively pursuing its transformation into a leading biopharmaceutical company. UCB is continuing to invest in its late stage pipeline and innovative breakthrough research, while preparing launches of multiple new products in its core therapeutic areas of CNS and

immunology. With the recent approval of Cimzia® for Crohn's disease in the U.S. and positive opinions in the EU for Neupro® for Restless Legs Syndrome and for Vimpat® for epilepsy, UCB has successfully reached the point in time to become a specialist company. At the same time and within the short span of approximately twelve months, UCB is facing patent expirations in the U.S. for its two biggest products, Zyrtec® and Keppra®.

#### Further information

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#### About UCB

UCB (Brussels, Belgium, [www.ucb-group.com](http://www.ucb-group.com)) is a global leader in the biopharmaceutical industry dedicated to the research, development and commercialization of innovative medicines with focus on the fields of central nervous system and immunology disorders. Employing around 12 000 people in over 40 countries, UCB achieved revenue of EUR 3.6 billion in 2007. UCB is listed on Euronext Brussels (symbol: UCB).

#### Forward looking statement

This press release contains forward-looking statements based on current plans, estimates and beliefs of management. Such statements are subject to risks and uncertainties that may cause actual results to be materially different from those that may be implied by such forward-looking statements contained in this press release. Important factors that could result in such differences include: changes in general economic, business and competitive conditions, effects of future judicial decisions, changes in regulation, exchange rate fluctuations and hiring and retention of its employees.

Of course, UCB will respect the information and consultation procedures in any country where applicable. In these countries, the information and consultation process could, of course lead to changes or alternatives. No decision impacting employment will be taken before the information and consultation procedure with the respective Works Council will have taken place.

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#### Reuters

##### **Belgian drugmaker UCB to cut 2,000 jobs worldwide**

**August 28, 2008**

**By Huw Jones and Ben Hirschler**

BRUSSELS/LONDON, Aug 28 (Reuters) - Belgium's UCB (UCB.BR: Quote, Profile, Research, Stock Buzz) said on Thursday it would cut 2,000 jobs or 17 percent of its workforce, highlighting the pressure on international drugmakers as industry profit margins are squeezed.

UCB's efficiency drive, part of a previously announced plan to focus its efforts on key areas of biotech medicine, follows sweeping job cuts by industry leaders such as Pfizer Inc (PFE.N: Quote, Profile, Research, Stock Buzz) and AstraZeneca Plc (AZN.L: Quote, Profile, Research, Stock Buzz).

The pharmaceutical industry is currently struggling to develop new drugs to offset the loss of sales from products going off patent.

In UCB's case, this requires moving from reliance on older drugs such as hayfever medicine Zyrtec and epilepsy drug Keppra, which face patent expiry in the key U.S. marketplace.

"Patent expiries are challenging times," said Chief Executive Roch Doliveux. "The time is now to take action to shape UCB for the future and become a specialist company focused on successfully delivering our new medicines to patients."

UCB said it would make around 2,400 positions redundant and create about 400 new positions, and at the same time will re-deploy an estimated 300 positions to core sites.

The company said on Aug 1 that its revamp programme, called Shape, would re-allocate 300 million euros (\$443.7 million) within the next three years towards increased investments into core business areas while seeking to improve competitiveness.

Analysts had expected job cuts to be a key part of the savings programmes.

UCB unveiled the job losses on Thursday as it seeks to transform itself into a focused specialist company in the central nervous system and immunology disease areas.

"These combined efforts should result in enhancing UCB's profitability and competitiveness in the fast-changing bio-pharma world," it said.

UCB is pinning its hopes for the future on new drugs such as Cimzia for Crohn's disease, Vimpat for epilepsy and Neupro for restless legs syndrome.

But industry analysts say it is unclear as yet how these new medicines will fare in highly competitive markets.

Shares in the company were 1.3 percent lower at 25.75 euros by 0845 GMT.

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**Seattle Post-Intelligencer**  
**The You Docs**  
**August 21, 2008**

## SIX THINGS YOU MUST KNOW ABOUT YOUR MEDICATIONS

What do good mystery novels and new prescriptions have in common? Both can keep you guessing. About 75 million Americans are helped by meds each year, but 1.5 million people are harmed. How do you tilt the table more in your favor? Get these six facts every time you're given a new drug:

1. The trade or generic name of the medication. Many drugs sound the same - witness Zyrtec (for allergies) and Zyprexa (schizophrenia and bipolar disorder). Their generic names (cetirizine and olanzapine) help clear up confusion.

2. Why you need it.

3. How long you should keep taking it. If you think it's a blood- pressure pill, but it's really for a sinus infection, you don't want to keep refilling it.

Conversely, don't do a Clinton and get a heart attack because you stop taking a drug without telling your doctor. There's only one good reason you should ever stop taking the meds you are supposed to take: Your doctor tells you to.

4. The potential side effects. Find out what to look for and what to tell your doc. If you do not have a partner, you may not want a drug whose side effect is that it increases your libido.

5. How much you should take.

6. How many doses you need, and when you should take them. Write down the answer. One study found that people's brains play an evil trick: After being given a very clear order, such as "don't take this pill in the evening," they'll remember broad details - "pill," "evening" - but not the specifics. Guess what happens.

TO SUBMIT QUESTIONS TO Mike Roizen and Mehmet Oz - the YOU DOCS - visit [RealAge.com](http://RealAge.com), the docs' online home.

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***The News-Dispatch***  
**Sneezing one's way through allergy season**  
**August 17, 2008**

With fall approaching and back-to-school preparations in full swing, Dr. Kenneth Blumenthal expects to see many patients, particularly students, complaining of itchy eyes and stuffy noses.

The allergist and immunologist serves much of Northwest Indiana's allergy and asthma sufferers, and knows that August ushers in hay fever season.

"Ragweed, or hay fever, starts the first week of August and lasts until the first frost," Blumenthal said. "We see patients all day long suffering from these allergies."

With three offices in Northwest Indiana, Blumenthal has seen his fair share of those impacted by the pesky pollen in the 29 years he has practiced medicine.

An allergic reaction to airborne allergens, hay fever is the immune system's response to foreign material in the air. The condition can be hereditary, but each person is affected differently. Men and women are equally affected, and those with asthma may suffer hay fever to a worse extent.

Typical symptoms include sneezing, runny or congested nose and watery, itchy eyes.

Steve Armstrong, 21, La Porte, has asthma and is brought down by hay fever.

"It's terrible. My nose runs and my eyes water," Armstrong said. His method of treatment includes both over-the-counter preventative measures - taking Zyrtec at night when his allergies are acting up - and prescription nasal spray for immediate relief.

Patients seeking treatment receive counseling as far as what they can do environmentally to reduce their reactions and may be prescribed medication to suppress the body's reaction.

Blumenthal says that all sectors of the population can be affected, but he sees a large number of school-age children for treatment, particularly as school resumes.

"They get fatigued because it's like having a bad cold seven days a week," Blumenthal said. Even worse, he said, allergies can affect students' focus and negatively impact their ISTEP scores.

When more than Benadryl is needed to quell the allergy blues, doctors create plans to aggressively treat patients' reactions.

"People get enamored with antihistamines," Blumenthal said, "but those only attack one chemical." Instead, the inflammation can be controlled with a cortisone shot or medication and then maintained with lower dosage meds.

Pre-medicating is another avenue that may offer respite, prepping the body to fight off the allergens.

"A lot of people wait until they're miserable, and that's a real problem," Blumenthal said.

Armstrong understands the benefits of keeping a steady dose of allergy medication in his body but falls prey to the waiting game.

"I know I should take it every day, but I just take it when I need it," he said.

Starting at home, practical steps may be taken to reduce the effects of ragweed. Keeping windows closed, especially at night when pollen has time to settle into fabrics and onto household surfaces, can reduce the amount breathed in. Air conditioners equipped with HEPA filters limit allergens as well.

Blumenthal recommends keeping pets out of the bedroom, especially those with long hair, as they essentially act as mops that bring pollen in.

Although the hay fever season is officially upon us, those with allergies have ways to reduce their suffering.

"If you're really miserable, see your doctor," Blumenthal said. "Medication can help."

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#### **Bloomberg**

#### **Ranbaxy Drugs Win Approval Amid Probe Whether Data Were False**

**August 13, 2008**

**By Justin Blum**

Aug. 13 (Bloomberg) -- The Food and Drug Administration approved 18 generic drugs made by Ranbaxy Laboratories Ltd. even as the U.S. investigated whether the company fabricated data to get its medicines cleared.

The FDA has been aware of the allegations for at least 18 months, the House Energy and Commerce Committee said in a document on its Web site. Ranbaxy, India's largest drugmaker, has brought to market nine of the 18 drugs, among them copies of Bristol-Myers Squibb Co.'s cholesterol drug Pravachol and Johnson & Johnson's nonprescription allergy pill Zyrtec, according to the company.

Lawmakers and former FDA officials are now questioning why the agency continued to trust Ranbaxy's data on new products after learning of the allegations. The Energy and Commerce Committee, which oversees the FDA, is probing why the agency didn't act on the information, described by the Justice Department in the court motion last month seeking documents from the company.

The FDA should have halted approval of Ranbaxy's drug applications because the agency "wouldn't be confident of the accuracy and reliability of the information in the applications," said Mary Pendergast, a former FDA deputy commissioner who is now a consultant for drug and medical-device companies. "They might be approving a product that ought not be approved."

Pendergast based her comments on the allegations in the court motion, not independent knowledge of the case, she said in a telephone interview this week. She said clients of her firm, Pendergast Consulting in Washington, have included J&J and Genentech Inc.

Audits Sought



On July 3, the government asked a U.S. District Court judge in Maryland to force the company to turn over audits completed by a contractor, which Ranbaxy later agreed to provide. According to the motion, the government is investigating allegations including conspiracy, false statements and health-care fraud.

"Allegations from reliable sources and supporting documents indicate a pattern of systemic fraudulent conduct, including submissions by Ranbaxy to the FDA that contain false and fabricated information," the Justice Department wrote.

Ranbaxy "strongly denies" the claims in the motion, the Gurgaon, India-based drugmaker said in a July 14 statement. The FDA collected more than 200 samples of products sold by the company, and all were found to meet required specifications, the drugmaker said.

"The allegations are baseless," Ranbaxy said. "The company's business in the U.S. continues as normal."

#### Drugs Approved

The FDA approved 18 Ranbaxy drugs since a government search of the company's New Jersey facilities on Feb. 14, 2007, said Ranbaxy spokesman Charles M. Caprariello, in a telephone interview this month. The company decided not to sell three of the products, and six aren't being sold yet because of patents held by brand-name drugmakers, he said.

Daiichi Sankyo Co. won approval from India's government this month to buy Ranbaxy for as much as \$4.7 billion. Tokyo-based Daiichi Sankyo said this week that it will begin its tender offer for Ranbaxy on Aug. 16.

Ranbaxy fell 11 percent, the biggest drop in seven years, in Mumbai trading after the U.S. court motion was disclosed last month. The shares later rebounded after Ranbaxy gave assurances that the investigation wouldn't derail the sale. Ranbaxy fell 1.8 percent to 500.5 rupees yesterday and has gained 18 percent this year through yesterday.

#### Ingredients Questioned

The nature of the government inquiry was first disclosed in the Justice Department's July 3 motion.

The company's drugs may have too much or too little of their main ingredients, the Justice Department wrote. The government said it is probing whether data showing Ranbaxy's generic drugs are absorbed at the same rate and extent as the originals were falsified. That information is used by the FDA to determine whether drug copies should be approved for sale, instead of requiring the full clinical trials needed for clearance of novel brand-name treatments.

The "FDA doesn't need to wait for a conviction to freeze review of somebody's application," said Areta L. Kupchyk, who helped decide whether to halt approvals when she worked as an FDA lawyer. She now represents drug and medical-device makers as a lawyer at the firm Reed Smith LLP in Washington. She declined to identify her clients.

"So long as there are significant suspicions that the data is questionable, FDA can freeze the review," Kupchyk said in a telephone interview last week.

#### 65 Medicines

Ranbaxy markets 65 medicines in the U.S., and its sales in the country were \$386 million last year, according to Caprariello. U.S. patients filled 52 million prescriptions with Ranbaxy's generic drugs in 2007, according to IMS Health Inc., a Norwalk, Connecticut market research firm.

The company has the right to distribute the first copies of New York-based Pfizer Inc.'s cholesterol pill Lipitor, the world's best-selling drug with \$12.7 billion in 2007 sales, in November 2011, after the patent expires.

The FDA suspended action on Ranbaxy's applications for drugs made at one of the company's plants in Paonta Sahib, India, after the agency found what it called "significant deviations" from required manufacturing practices at the facility in 2006.

In the July motion, the Justice Department said the government has reason to believe Ranbaxy's actions "have resulted and continue to result" in the sale of "adulterated" products.

#### FDA Won't Comment

Because the investigation is continuing, the FDA won't comment on why it hasn't blocked approval of Ranbaxy products, said spokeswoman Julie Zawisza, in an interview last month. Adulteration doesn't "necessarily mean there is or isn't a safety issue," Zawisza wrote in an e-mail.

The FDA has previously frozen drug applications from at least 17 companies, according to a list on the agency's Web site. Solvay Pharmaceuticals Inc., a unit of Brussels-based Solvay SA, had its applications halted from 1997 to 2003. The list is incomplete, said FDA spokeswoman Heidi Rebello in an e-mail.

Regulators should apply a freeze to Ranbaxy, said Representative Bart Stupak, the Michigan Democrat who is chairman of the Energy and Commerce panel's investigative subcommittee, in an e-mailed response to questions last week.

"It is obvious to everyone except the leadership at the FDA how absurd it is to approve new Ranbaxy drugs before getting to the bottom of this criminal investigation," Stupak said.

The case is U.S. v. Ranbaxy Inc., 08cv1764, U.S. District Court for the District of Maryland (Greenbelt).

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#### **Associated Press**

#### **Longs Drug Stores July same-store sales drop August 7, 2008**

WALNUT CREEK, Calif. (AP) - Pharmacy chain Longs Drug Stores Corp. said Thursday its preliminary July same-store sales fell 3.5 percent as more generic drugs were introduced onto the market.

Analysts polled by Thomson Financial expected a drop in same-store sales of 0.4 percent.

Same-store sales, or sales at stores open at least a year, is a key indicator of retailer performance because it measures growth at existing stores rather than newly opened ones.

Pharmacy same-store sales fell 2.7 percent, while front-end same-store sales fell 4.5 percent.

Longs said sales were hurt by the introduction of generic medicines for brand-name ones, which sell at higher prices.

It said it also saw a reduction in cold, flu and allergy prescriptions because of the switch of allergy medicine Zyrtec from prescription to over-the-counter.

Total retail drug store sales fell 1.6 percent to \$353 million.

For the second quarter, the company's same-store sales were down 1.1 percent, while total sales increased 0.5 percent to \$1.2 billion.

Year-to-date, Longs said its same-store sales fell 0.1 percent, but total sales increased 1.7 percent to \$2.4 billion.

Longs shares fell 58 cents, or 1 percent, to close at \$54.56.

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**Reuters**

**UCB H1 net down 37 pct, reassures with forecasts**

**August 1, 2008**

**By Philip Blenkinsop**

BRUSSELS (Reuters) - Belgian pharmaceutical group UCB (UCB.BR: Quote, Profile, Research) reported a better than expected 37 percent drop in first-half net profit on Friday after a key drug lost patent protection and reassured with its 2008 and 2009 forecasts.

It also announced a new initiative, called Shape, to re-allocate 300 million euros (\$467.1 million).

"The net result is that UCB's profitability and competitiveness will increase in a fast-changing pharmaceutical world," Chief Executive Roch Doliveux told a news conference, adding first details of the plan would emerge after the summer.

UCB's shares rose as much as 8.17 percent to 23.81 euros, while the DJ Stoxx European health care index dipped about 0.2 percent.

The company cut its 2008 revenue forecast to a level exceeding 3.3 billion euros from an earlier 3.4 billion, but kept its recurring EBITDA target of 650 million euros.

It said in March it would review its outlook after recalling its Neupro Parkinson's patch. It said on Friday the recall would hit core profit by 30 million euros in 2008.

It also said the net result would be significantly impacted by its Shape initiative.

For 2009, it said underlying profitability (recurring EBITDA) would be at least at the same level as that of 2008, increasing afterwards as new products were launched.

The 2009 net result might also be impacted by one-offs related to Shape.

Analysts had been factoring in worse EBITDA figures, notably for 2009 when the effects of SHAPE should kick in.

"The focus is on the guidance. That's reassuring news... even if there is little comment on the pipeline," said Petercam analyst Jan Van Den Bossche.

**TRANSITION PERIOD**

Net profit to June fell to 108 million euros from 171 million a year earlier and compared with the 89 million euros average forecast in a Reuters poll of nine analysts.

Core profit (recurring EBITDA) fell 26 percent to 358 million euros, against the 347 million euros average analyst forecast. Revenue was down 11 percent at 1.69 billion euros, against the average forecast of 1.75 billion euros.

The decline reflected the end of patent protection for antihistamine Zyrtec, while costs rose due to the marketing and launch of new drugs Neupro and Cimzia and restructuring.

UCB said its integration of German peer Schwarz Pharma, purchased last year, would be completed about two years ahead of schedule with targeted synergies of 380 million euros reached early next year. It had reached 305 million euros to date.

UCB is facing a transition period with the patent expiry of Zyrtec and the imminent start of generic competition for its blockbuster epilepsy drug Keppra.

The company received a surprise boost in April when the U.S. Food and Drug Administration cleared its drug Cimzia to treat Crohn's disease.

Its lacosamide medicine, sold as Vimpat, has had mixed fortunes, receiving an initial green light in Europe for epilepsy, but receiving a "not approvable" letter earlier this week in the United States for diabetic neuropathic pain.

The latter saw UCB's share slump 8 percent.

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**iParenting.com**  
**Molly Shannon**  
**August 2008**  
**By Kelly Burgess**

Each month, iParenting.com spotlights a mother who inspires and moves us, who embodies the qualities that we all admire in a person, a woman and a mother. Above all, the Mom of the Month is dedicated to her children. Rich or poor, famous or not, she shines as an example of what mothering is all about.

Molly Shannon has none of the angst many mothers feel over trying to juggle work and motherhood. As busy as she is, she says that her job as an actress is really about short bursts of really, really hard work, which allows her to devote the rest of her time to her two kids, Stella, 5, and Nolan, 3.

This spring, Shannon has thrown herself into a new role – allergy awareness – teaming with the Asthma and Allergy Foundation of America (AAFA) to launch the Allergies Are No Laughing Matter educational campaign. Part of the campaign includes an allergy quiz ([www.allergysavvy.com](http://www.allergysavvy.com)) to help people determine if the respiratory problems they're experiencing may be from undetected allergies.

Born in Shaker Heights, Ohio, Shannon was struggling to make it as an actress in 1995 when she got her big break: a job as part of the ensemble for the 20th season of the legendary comedy show, Saturday Night Live. She quickly made her comedic mark and one of her quirky characters, Mary Katherine Gallagher, was so popular that a feature film, Superstar, was created in 1999 as a starring vehicle for Shannon to play Mary Katherine. In addition to her work during the 1990s in movies and on Saturday Night Live, Shannon co-starred and guest-starred in a variety of television series, including a well-known Seinfeld episode, The Summer of George.

When Shannon left Saturday Night Live in 2001 she had been a member of the ensemble for six years, longer than any other female cast member. She continued her work in television and movies, including a short run as the star of a Fox series, Cracking Up. At the same time, Shannon was busy on the home front as well, giving birth to her two children and marrying artist Fritz Chesnut in 2004. She says they make family time work because her shoots generally don't last for very long.

"I'm able to take a lot of time off," Shannon says. "I work really hard but movies only take a few weeks, so I feel like I have months and months off."

Shannon also takes her kids with her wherever she goes, noting that it's easy because they're still so young and not yet in school. "It's actually kind of fun because you're traveling so you're away from the distractions of home," Shannon says. "When I'm done with work for the day or weekend, it's not like at home where I'm looking around thinking of what has to be done; I can totally focus on the kids. It's like a working vacation."

#### Nothing to Sneeze At

If Shannon has one complaint, it's the problems she's had all her life with severe allergies. She also bemoans the fact that she's passed her sensitivities on to her kids. Allergies are partly genetic, she says, and she's hoping breakthroughs in allergy management will help them to avoid missing out on activities because of allergies.

"I saw one survey where 50 percent of the respondents said their allergies affect their work and social life," Shannon says. "I can relate because if I'm at a party in a house where they have cats it makes me very uncomfortable, wheezy and itchy, and it's definitely affected my work."

Most memorably, Shannon recalls when she was working on the movie *Year of the Dog*. She didn't want to tell the director that she was allergic to dogs, so she didn't say anything. Then, during a photo shoot, the dog licked her and she broke out in hives. She was able to finish making the movie, but she kept her distance from the dog as much as possible. She says she still wouldn't want to turn down a job because of her allergies, and hopes she never has to. One thing she says has helped her a great deal in controlling her allergy symptoms is Zyrtec, which co-sponsors the Allergies Are No Laughing Matter educational campaign.

While Shannon's issues are animals and the pollen of spring, her son also has peanut and skin allergies. She recognized his allergies early on because of her own experiences, but wants to get the word out to parents that the "cold" their child has that won't go away or the recurring rash may just be allergies. Knowing what's really going on will help other parents know how to best help their children manage.

With her full life of career, family and now working for a cause she can really relate to, Shannon feels like she finally has it all. "I just feel so fulfilled right now," she says. "I'm just a happy mom."

Try Molly Shannon's recipe for Mexican Corn on the Cob!

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***In-Store Marketing Institute***  
**Drugstore Rebate Report: August 2008**  
**August 2008**  
**By Jean Luo**

Drugstores groomed for school by highlighting health and personal care products in August rebate catalogs.

Rite Aid's Single Check Rebates catalog delivered \$871 in savings through 164 offers. Promotions included:

an exclusive sweepstakes from General Mills that awarded 250,000 bonus Box Tops for Education and a laptop computer to the grand-prize winner. The program also offered 50 bonus Box Tops and \$5 rebates with purchase of \$25 in products from General Mills and its promotional partners, Kimberly-Clark, SC Johnson and Hefty. The sweeps ran July 27 to Aug. 30.

a Johnson & Johnson offer for Visa gift cards of \$10 or \$25 with purchase of \$25 or \$60 in select products. The feature plays up J&J's role as a worldwide partner and Visa's status as a "proud sponsor" of the 2008 Olympic Games.

a "Jet Set" sweeps from Mars Inc. awarding a trip for four to "any major U.S. destination" of the winner's choice to promote new M&M's Premiums. The sweeps ran July 27 to Sept. 8.

an offer for a free pedometer with \$30 purchase of various brands, including Bayer Healthcare's One A Day, Wyeth's Centrum and J&J's Viactiv.

a total of \$100 in rebates from oral care purchases in the latest flight of the chain's health merchandising series. (See "Rite Aid Looks for Smiles" in Related Articles.)

an offer for a free "Back to School Survival Kit" of products from Veet, CoverGirl, Clearasil, c.booth, Jane and got2b packed into a travel bag branded with the chain's "Glam Camp" promotional moniker, which is used in teen-targeting campaigns. Hearst Communications' Cosmo Girl serves as the campaign's media partner.

an exclusive sweepstakes from Crayola dangling a family vacation to a Beaches Resort by Sandals. (See July report in Related Articles.)

a feature directing consumers online to enter Kraft Foods' "Best School Year Ever" instant-win game, which awards \$50 American Express gift cards to 5,000 entrants.

Walgreens' EasySaver Catalog delivered \$718 in savings. Specific promotions included:

a back-to-school incentive from J&J's McNeil Consumer Healthcare rewarding shoppers who buy two Children's Zyrtec products with 20% off an online purchase from kid's book publisher Scholastic.

a feature for Kraft's "Best School Year Ever" game.

a free movie ticket by mail (via \$12 Movie Cash certificates) for every \$12 spent in dark chocolate products from Mars Inc. (up to four per person). Separately, Mars introduced M&M's Premiums and designated DoveBar Ice Cream as a "Coming Soon" Walgreens exclusive.

a \$3 rebate on a 42-count package of Procter & Gamble's Prilosec OTC, which sports an on-pack offer for a free one-year subscription to a Meredith Corp. magazine. Separately, a feature teased the Aug. 12 rollout of P&G's Always Infinity maxi pads.

a \$3 coupon for Novartis Consumer Health's Lamisil as part of an informational feature about athlete's foot.

a feature directing consumers online to access services and tips for caregivers, plus rebates for home healthcare items such as surgical stockings and Medline reach-assistance devices.

CVS, which in August announced plans to acquire channel rival Longs Drugs (see Related Articles), offered \$200 in Extra Bucks savings in its monthly Extra Value Book. Focused heavily on the health and personal care categories, promotions for ExtraCare loyalty card members included:

"Gold Medal Savings" from J&J leveraging the company's status as worldwide Olympics partner. The two-page spread awarded \$29 in Extra Bucks on purchases of Rogaine, K-Y, E.P.T., Monistat, O.B. and several McNeil OTC brands.

Extra Bucks savings on private label health SKUs, including \$10 off select nicotine control products, \$5 off co-branded blood glucose test strips from TrueTrack, and \$2 off a household burn kit.

Longs Drugs' United Rebates catalog (which likely will be discontinued by CVS) delivered approximately \$504 in savings. Promotions included:

a \$10 gift card with purchase of \$25 in L'Oreal cosmetics, plus week-long offers dangling a free SKU (after rebate) of Garnier Fructis, Skin Genesis, Revitalift and Age Perfect. Additional week-long rebates awarded free products from Alva-Amco's Prosacea, Bic Soleil and Pharmavite LLC's SoyJoy.

a \$10 gift card with \$30 purchase from P&G's Olay, as well as rebates for P&G's oral care, hair care, feminine hygiene, OTC, household and diaper brands.

\$10 gift cards with purchases of \$25 in Johnson & Johnson, \$20 in Unilever or \$20 in Colgate-Palmolive brands.

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**Brandweek Online**  
**Drug Marketing Poised For Historic Decline**  
**July 29, 2008**  
**By Jim Edwards**

In every recession there's usually one bright spot for marketers: drugs. As consumers skimp on food, fuel and clothes, the business of health often benefits from "nondiscretionary" spending. Marketing budgets go up because consumers, insurers and government programs pay out even when times are tight.

Not this time round.

Budgets for prescription drugs look to be flat this year, and marketers predict an overall decline through 2011, the first setback the business has ever seen.

Unlike most categories, the decline is unrelated to the economic woes of the rest of the country. Instead, it is caused by an unusual confluence of events washing over the industry in the next few years:

- Patents have expired or are about to expire on several big-spending brands this year, turning them into unmarketed generics. Those brands include Johnson & Johnson's Risperdal anti-psychotic and Topamax anti-migraine drugs; Merck's Fosamax osteoporosis treatment; Abbott Laboratories' Depakote depression/epilepsy therapy and Pfizer's Zyrtec anti-allergy medication, which went over-the-counter. Ad budgets on those drugs total \$116 million. Standard & Poor's estimates that sales losses from those brands "will exceed \$20 billion." That money will be "unlikely to be fully replaced by the contributions of new product launches," S&P said. The expirations will continue, with the big one—Pfizer's Lipitor—scheduled to expire in June 2011.
- The FDA has become more skittish about approving new drugs, and has tightened requirements for new diabetes products. Among the other drugs that have felt its wrath: Novartis' Zelnorm (yanked from the market after heart attack worries); and Sanofi Aventis' obesity-fighter, Acomplia, which the agency declined to approve over concerns that it triggered suicidal feelings. Novartis had backed Zelnorm with \$90 million, and Acomplia was expected to be a huge launch.
- Drug companies' R&D pipelines won't fill up the gaps until 2011, analysts said. Pfizer, for instance, has an anti-obesity drug in late-stage development. The estimated launch date for the

drug, which currently goes by a catalog number, "CP-945598," has been pushed back from 2009 to 2011, per Jon LeCroy, an analyst at Natixis Bleichroeder.

"On the horizon there doesn't seem to be the products that would generate those large consumer advertising budgets," said Jay Popli, chief business officer at startup Hygeia Therapeutics. "The brands won't be there."

- The problem is compounded by the fact that the growing number of uninsured Americans is finally impacting total prescriptions written. Scripts were down 0.5% through May 23, per Natixis Bleichroeder.

Ad spend in 2008 is running at just 2% more than last year, according to both TNS Media Intelligence and Nielsen Monitor-Plus. Growth in 2007 was a healthy 5%, topping out at \$5 billion, per Nielsen. In 2006, it was a giddy 14%.

But, executives are talking openly of a contraction in budgets next year. "I would say it's certainly possible and it's likely to be probable," said Popli. He should know, as the former director of consumer marketing for Sepracor's Lunesta he once controlled the largest drug ad budget in the industry (\$300 million last year). Lunesta's budget is tracking down 64% from 2007.

"Most people I speak to in the industry believe there's going to be a contraction, mostly in TV dollars," said Jay Carter, svp-client services at AbelsonTaylor in Chicago. The agency handles Amgen and TAP Pharmaceuticals.

Analysts expect to see more money go online or into CRM programs, which are far cheaper than commercials. "They could make the largest Web buy ever instead of the smallest TV buy ever," said Jack Barrette, the former pharma ad sales chief at Yahoo! who is now CEO of Wego Health in Cambridge, Mass., a social media company.

"I think we're seeing a shift in dollars spent," said Jay Bigelow, president of MicroMass Communications in Cary, N.C., which runs relationship marketing programs for Novartis. "We're up 30% this year."

It's not just TV that is losing out. Some executives wonder how much more drug money can go into public relations, which has seen enormous growth in the category. However, Laurie Mobley, an associate director at WeissComm in Washington, which services Genentech and Actelion, still sees plenty of opportunity: "Our clients are pushing the need for segmentation and the need for specialty. The goal is not be on Good Morning America anymore."

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#### **Dow Jones**

#### **MARKET TALK: UCB 1H Net Pft Seen -48% On Patent, Costs July 29, 2008**

UCB (UCB.BT): 1H Earnings  
Due: August 1st, 0500 GMT  
DJ Survey of 5 Analysts

Average Net Profit: EUR88.2M, -48% (EUR171M in 1H 07)  
Average Revenue: EUR1.7B, -8.9% (EUR1.86B in 1H 07)  
Average Recurring EBIT: EUR236.2M, -24% (EUR312M in 1H 07)

UCB's net profit is seen falling 48% because of expiration of Zyrtec patent in the US, Neupro's recall in the US. Restructuring costs likely to weigh. The focus will be on FY guidance revision after Neupro's recall, pipeline evolution, exchange rate impact. (ATO) [ 29-07-08 1004GMT ]

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**Dow Jones**  
**Buzzword For Drug Makers Is 'Diversify' Amid Weak US Sales**  
**July 25, 2008**  
**By Peter Loftus**

The U.S. market for branded prescription drugs isn't what it used to be, so large pharmaceutical companies are sizing up opportunities elsewhere.

The buzzword was diversification in the recent round of second-quarter earnings reports from drug makers. Some said they plan to build up businesses such as nutritional products, over-the-counter health products and generic drugs. Even companies firmly committed to branded prescription drugs talked up geographic diversification, saying they would step up efforts to hawk drugs outside the U.S., especially in emerging markets.

"It gives a lot of stability to earnings and free cash flow for the companies that have" non-pharmaceutical businesses, said Laurent Payer, portfolio manager at Sectoral Asset Management in Montreal, which owns some drug stocks. "You don't get much surprises with these businesses. That's why diversified companies have higher [stock-price] multiples."

Indeed, the market already has rewarded the most diversified companies. Shares of Johnson & Johnson (JNJ), Abbott Laboratories (ABT) and Novartis (NVS), which have strong businesses outside of branded drug sales, command higher price-to-earnings ratios than much of the rest of the group. Companies focused more heavily on pharmaceuticals, like Pfizer Inc. (PFE), have low multiples.

The diversification strategy is fraught with risks, though. Drug makers that aren't market leaders in their side businesses may end up disappointed by their financial performance. "You need to be a leader," Payer said. "Otherwise you don't get the economies of scale." And efforts to expand overseas could be hurt by talent crunches, political instability and unfavorable currency fluctuations.

What's more, diversification seems to come in cycles, and drug companies may change their minds in several years if the U.S. prescription business picks up again. Years ago, some companies moved in the other direction, with Merck & Co. (MRK) shedding its pharmacy-benefit management unit and Eli Lilly & Co. (LLY) its medical-device business. The companies keeping their focus on pharmaceuticals now might end up reaping greater rewards down the line.

#### **US Drug Market Weak**

The impetus behind the current push to diversify is that the U.S. branded drug business is being hurt by generic competition, heightened regulatory scrutiny of drug safety and pressure on prices from drug-benefit plans. Patent expirations loom for many blockbuster drugs, while efforts to bring new branded drugs to market have hit setbacks. Pfizer, for instance, reported declining second-quarter U.S. sales while non-U.S. sales rose solidly. At the same time, it had respectable sales gains in animal health, as did its rivals.

"If you look at the pharma business, the highs are higher and the troughs are lower due to the nature of patents and patent expirations, whereas these other businesses are more annuity types of businesses," Wyeth (WYE) Chief Financial Officer Greg Norden told Dow Jones Newswires this week. "It's actually nice to have a blend."

Wyeth derived about 16% of its second-quarter revenue from consumer healthcare products, which include Advil pain reliever, and animal drugs. Animal health was the strongest segment, with 12% sales growth, outpacing the 5% gain in the pharmaceutical business.

Wyeth Chief Executive Bernard Poussot told analysts he would pursue small- and mid-scale acquisitions in the non-pharmaceutical businesses. He cited Wyeth's recent agreement to buy a heat-wrap product line for pain management from Procter & Gamble Co. (PG) as a sign of things to come.

Even well-diversified companies aren't resting on their laurels. Abbott, which gets about 44% of sales outside of pharmaceuticals, plans to beef up these assets, which include Similac baby formula and heart devices.

"Our pharma business is very strong," Abbott Chief Executive Miles White told Dow Jones Newswires last week. "I'd like to keep building on the other half of the company."

Some are combining geographic and business-mix diversification - building non-pharma businesses outside the U.S. Schering-Plough Corp. (SGP) CEO Fred Hassan told analysts this week "we're now working to diversify our strong U.S. consumer health care business into other markets such as China."

GlaxoSmithKline PLC (GSK) unveiled a significant strategy change this week, including a deal to market unpatented, low-cost drugs - also known as branded generics - in emerging markets. "We believe that going forward we need to be more present on a global basis even than we are today, particularly in the emerging markets," Glaxo's new CEO, Andrew Witty, told analysts. "And in a goal of diversifying our risk, we need to ensure that we are investing in a broader portfolio of businesses than perhaps we have done in the past."

#### Contrarian View

Not every drug maker is diversifying as aggressively, and some have gone in the opposite direction, including Pfizer and Bristol-Myers Squibb Co. (BMY), by selling off non-pharmaceutical assets.

Pfizer is a striking example of the maxim that one man's junk is another man's treasure. In late 2006, it sold its consumer-healthcare business, which included the venerable Listerine mouthwash, to J&J for about \$16.6 billion.

At the time, the deal seemed like a good bet for Pfizer to generate cash that could be invested in its pharmaceutical research efforts. And some viewed it as an afterthought by J&J to do a deal after J&J's attempt to buy device maker Guidant was thwarted.

But now J&J's consumer business is thriving thanks partly to the products it gained through the Pfizer deal. Strength in J&J's consumer products has helped offset relative weakness in its own pharmaceutical division. The deal gave J&J rights to sell an over-the-counter version of Pfizer's allergy drug Zyrtec earlier this year, and sales have boomed.

Meanwhile, Pfizer is much more dependent on a pharmaceutical business that has weakened since the deal, contributing to a steep decline in its share price. Some 90% of Pfizer's revenue comes from pharmaceuticals, with most of the rest coming from animal health.

But Pfizer CEO Jeff Kindler, who took over after the consumer-unit sale was orchestrated, isn't looking back. He says Pfizer is committed to drugs but is diversifying in other ways -- geographically and in the mix of diseases for which Pfizer is developing treatments.

"We are growing in many markets around the world that are enjoying strong economic health," Kindler told Dow Jones Newswires. "That is one of the advantages of our geographic diversity."

A good chunk of growth outside the U.S. for all drug makers is certainly coming from favorable currency-exchange rates. But some drug makers say there is strong growth even excluding currency effects, particularly in the major developing markets of Brazil, Russia, India and China.

Bristol-Myers has struck deals in recent months to sell its medical-imaging and wound-care units, thus heightening its focus on pharmaceuticals. But within the drug business, Bristol has been diversifying by investing more in biotechnology-type drugs, which are believed to have stronger growth potential than traditional pills. Bristol has decided to hold onto its baby-formula business for now, though it plans to sell a minority stake in a public stock offering.

Chief Executive James Cornelius said Bristol's going against the grain stems from his confidence in current drug-research efforts. And it's using proceeds from the asset sales to fund these efforts. "We're maybe a little different from the crowd," he admitted to reporters.

-By Peter Loftus, Dow Jones Newswires; 215-656-8289; peter.loftus@dowjones.com [ 07-25-08 1334ET ]

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***The Wall Street Journal***

**Corporate News: Pfizer's Net Rises on Global Sales; Profit Shrinks for Glaxo, Wyeth  
July 24, 2008**

**By Peter Loftus and Jeanne Whalen**

The world's largest drug company by sales, Pfizer Inc., reported an increase in its second-quarter profit, as international sales growth helped offset generic competition in the U.S. Meanwhile, the No. 2 drug maker, GlaxoSmithKline PLC, reported weak earnings, and restructuring charges also weighed down profits at Wyeth.

Glaxo announced an alliance with a company that sells low-cost medicines in emerging markets and said it will look for ways to "simplify" the company and cut costs. Chief Executive Officer Andrew Witty declined to say whether this would lead to additional job cuts beyond ones Glaxo announced last fall that it has declined to quantify.

Mr. Witty, who became CEO in May, has said repeatedly that tough times in the U.S. and European pharmaceutical markets are forcing Glaxo to change. Glaxo and others face intense competition from generic rivals in those markets and higher safety hurdles to getting new drugs approved.

Pfizer and Wyeth are in cost-cutting mode also in order to weather a difficult period until their drug-research efforts begin to bear more fruit.

New York-based Pfizer derives about one-fourth of its revenue from one product, the cholesterol-lowering drug Lipitor, which in 2011 will lose its U.S. market exclusivity and become exposed to generic competition.

Pfizer reported net income of \$2.78 billion, or 41 cents a share, up from \$1.27 billion, or 18 cents a share, a year earlier.

Sales rose 9.4% to \$12.13 billion from \$11.08 billion a year earlier. U.S. revenues declined 2% to \$4.8 billion amid the loss of market exclusivity for allergy drug Zyrtec and cancer drug Camptosar. But non-U.S. revenue rose 18% to \$7.4 billion. Favorable currency-exchange rates boosted revenue by \$800 million.

Lipitor sales increased 9% to \$2.98 billion. The growth came largely from outside the U.S., helped by the weak dollar. This reversed the trend seen in the first quarter, when sales dropped 7%.

Glaxo's net income fell 3% in the quarter to GBP 1.29 billion (\$2.57 billion) from GBP 1.33 billion in the year-earlier period, hit by competition from low-cost generic drugs and sluggish sales of diabetes pill Avandia and asthma inhaler Advair. Sales rose 4% to GBP 5.87 billion from GBP 5.67 billion, with vaccine sales one of the few bright spots.

To try to boost sales in emerging markets, the company signed an alliance with South Africa's Aspen Pharmacare Holdings Ltd. that will allow Glaxo to sell Aspen's low-cost medicines in countries where Aspen doesn't operate. Aspen manufactures more than 450 inexpensive, unpatented drugs, including HIV medicines and antidepressants, and it sells them in Africa and a few other markets.

Glaxo's cost-cutting plans include reducing the variety of drug packaging Glaxo produces, a measure that could have nearly the same impact on the company's bottom line as a new blockbuster medicine, Mr. Witty said.

Wyeth, based in Madison, N.J., said net income declined 6% to \$1.12 billion, or 83 cents a share, from \$1.20 billion, or 87 cents, a year earlier. Results for the latest quarter included charges of \$110.5 million related to Wyeth's cost-cutting program, which includes the elimination of about 6% of its work force so far.

Sales rose 5% to \$5.9 billion, with virtually all of the gain coming from the weak dollar. Wyeth's biggest product, the antidepressant Effexor, had sales of \$1.02 billion, up 5%.

Wyeth executives indicated their focus won't be solely on prescription drugs. The company plans to build up its nonpharmaceutical business, which includes consumer health care, nutritional and animal-health products.

Also, German pharmaceutical and chemicals company Merck KGaA said second-quarter net profit more than doubled to 207.4 million euros (\$327.3 million) from 85.5 million euros. Merck, which became Europe's largest biotechnology company after purchasing Serono in 2006, said revenue, which includes royalty income, rose 6.1% to 1.9 billion euros from 1.79 billion euros, curbed by currency fluctuations. Sales of cancer drug Erbitux rose 24% to 145 million euros.

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#### **Dow Jones**

#### **Pfizer's Profit Doubles On Lower Costs, Favorable Exchange Rate**

**July 23, 2008**

**By Val Brickates Kennedy**

BOSTON (Dow Jones) -- Pfizer, the world's largest drugmaker, reported that its second-quarter profit more than doubled, due largely to a favorable currency exchange rate and lower costs.

The New York-based drugmaker posted net income of \$2.78 billion, or 41 cents a share, compared with \$1.27 billion, or 18 cents a share, for the same period in 2007.

Last year's quarter included charges of \$1.1 billion for restructuring, while restructuring costs for the 2008 quarter amounted to only \$569 million.

Pfizer's market float was also smaller this quarter due to a share buyback program, decreasing total shares outstanding from 6.99 billion to 6.73 billion. The drugmaker said it repurchased \$10 billion of its shares during 2007.

Excluding various charges, Pfizer (PFE) would have reported adjusted earnings of 55 cents a share versus 42 cents last year, due in part to lower operating costs.

Revenue for the quarter rose 9% to \$12.1 billion. A favorable foreign-exchange rate contributed 7%, the company said.

According to FactSet Research, analysts expected Pfizer to post earnings of 54 cents a share. Sales were seen around \$11.55 billion, up from \$11.08 billion last year.

Pfizer shares were up 3% at \$18.95 in midday trading.

Pfizer's top line has seen considerable erosion over the past few years due to the loss of patent protection for several once-hot products, such as the antidepressant Zoloft and blood-pressure medication Norvasc. The company also recently lost U.S. exclusivity for the popular allergy drug Zyrtec and oncology product Camptosar.

Strong sales of pain medications helped cushion the blow. Sales of the company's newer pain medication Lyrica shot up 52% to \$614 million.

Celebrex, a pain reliever that has been on the market for several years, saw sales climb 23% to \$589 million. Celebrex sales were badly hurt a couple of years ago when Merck & Co. pulled a similar product, Vioxx, off the market over safety concerns.

**Lipitor facing tough competition**

Sales of Pfizer's No. 1 product, the cholesterol agent Lipitor, increased 9% to \$3 billion, helped by a positive exchange rate.

Lipitor has been facing increased competition from generic formulations of rival products, such as Merck & Co.'s Zocor and Bristol-Myers Squibb's Pravachol. Lipitor is slated to lose market exclusivity in late 2011.

According to a recent note by Cowen & Co., Lipitor sales were seen as coming in 3% lower at \$2.7 billion.

Analysts at UBS said in their note Wednesday that they believed Lipitor sales were light.

"U.S. Lipitor sales were much weaker than expected (\$1.4 billion vs. \$1.7 billion projected); it represents 1% growth over base year numbers (a very easy compare), and a notable 20% sequential decline," wrote UBS analyst Roopesh Patel.

Animal health products also showed strong growth, up 13% to \$715 million. Pfizer markets a wide variety of vaccines and medications for pets and livestock.

One troubled spot was sales of its new smoking-cessation drug Chantix, which has been suspected of causing serious mood swings in some users. Chantix sales were up 3% to 207 million. U.S. sales, however, tumbled 35% to \$109 million. When the product was launched, investors had hoped Chantix would become a major product for Pfizer.

Pfizer also reaffirmed its 2008 financial forecast. It sees earnings per share of between \$1.73 and \$1.88, with adjusted earnings of \$2.35 to \$2.45. Revenues should come in between \$47 billion and \$49 billion.

Analysts at UBS called Pfizer's earnings "unimpressive."

"Pfizer reported second quarter 2008 EPS of 55 cents - in line with UBS estimates and 1 cent above consensus, but its quality was unimpressive," wrote Patel.

"While revenues were higher (up 9% vs up 8% projected), several key franchises were below expectations, U.S. revenues were weak (down 11% vs up 2% projected, and down 14% sequentially)," Patel added.

Deutsche Bank analyst Barbara Ryan said while Pfizer appeared to be holding the line on costs, it still will probably need to acquire more products to offset expected declines in Lipitor.

"We expect Pfizer to trade up on the merits of its high dividend yield in the near term, while long term EPS visibility will likely only improve via acquisitions that dilute Lipitor and add to EPS via synergies, and are critical to multiple expansion," Ryan wrote in her note. [ 07-23-08 1316ET ]

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### ***Drug Industry Daily***

### **Merck Reduces Sales Forecast for Key Products**

**July 23, 2008**

Merck is in for a tough year as it struggles with Vytorin and braces for lower than expected sales on key products -- human papillomavirus vaccine Gardasil and allergy and asthma treatment Singulair.

During its second-quarter earnings call this week, the company said it expects 2008 sales of Gardasil to be \$1.4 billion to \$1.6 billion -- \$500 million short of its previous sales forecast.

U.S. sales for Gardasil fell 11 percent to \$255 million during the second quarter of 2008 compared with the same period last year. In Europe, where the vaccine is co-marketed by sanofi-aventis, sales came in at \$234 million this past quarter.

The U.S. decline resulted from three factors, including a decrease in second and third administrations of the vaccine, Ken Frazier, president of Merck's Global Human Health division, said. Gardasil is administered as a three-dose series over six months.

The vaccine's sales growth rate in the 13- to 18-year-old cohort decelerated as well, Frazier said. "Considering the strong cumulative utilization in this cohort since launch, continued growth requires substantially higher penetration rates among the remaining eligible cohort," he added.

Sales in the 19- to 26-year-old cohort were not strong because women in this population visit physicians who traditionally do not administer vaccines, Frazier said. "Despite our efforts to increase the penetration rates in this population, we clearly underestimated the attitudinal and behavioral barriers with both the 19- to 26-year-old females themselves, as well as the doctors that treat them," he added.

Merck plans to launch additional healthcare provider and consumer initiatives in the third quarter to increase the immunization rate with this age group.

Those factors, as well as an FDA complete response letter for an expanded Gardasil indication for women age 27-45, were the basis of the company's revised forecast, Merck Chief Financial Officer Peter Kellogg said.

### **OTC Zyrtec Hurts Singulair**

This year, sales of blockbuster Singulair (montelukast sodium) are expected to be \$4.4 billion to \$4.6 billion -- \$200 million lower than previously forecast, Merck said. U.S. sales for the drug fell 8 percent to \$710 million during the second quarter compared with the same period last year.

"The overall respiratory market, which is the combined allergy and asthma market ex-Zyrtec [cetirizine HCl], was down approximately 3 percent," Frazier said. He attributed the decline partly

to the OTC switch of Zyrtec in January. "Despite Singulair's continued strong positioning on formulary, Zyrtec OTC has clearly had an impact on the overall allergic rhinitis market," he added.

In addition to the Zyrtec switch, the public reaction and timing of an FDA early communication caused problems for the drug as the allergy season was about to start, Frazier said.

The FDA is investigating a possible connection between the drug and suicidal thoughts and acts. According to the early communication it issued earlier this year, the agency is considering regulatory action (DID, March 28). Merck updated the adverse reactions section of physician labeling for Singulair last October to include suicidal thinking and behavior.

"Fortunately, recent weekly domestic performance for Singulair has shown signs of improvement relative to the growth of the overall respiratory market," Frazier said. "We are taking additional steps to further support the brand, including accelerating a new asthma program, initiating expanded multichannel promotion and delivering compelling healthcare provider, consumer and disease awareness programs."

Outside the U.S., sales for the drug grew 15 percent to \$372 million compared with the same period last year, driven by growth in Japan, Frazier said.

#### More Vytorin Troubles

The firm's earnings call took place shortly after results from the SEAS cardiovascular outcomes trial were released. The trial tested Vytorin's (ezetimibe/simvastatin) effect on lowering LDL cholesterol in patients with aortic stenosis. The drug did not meet its primary endpoint of reducing cardiovascular events (DID, July 22).

Although Vytorin was generally well tolerated in the trial, 158 subjects had a serious adverse event attributed to cancer -- 93 patients on the drug and 65 subjects on placebo. More patients on the drug than on placebo, 39 versus 23, died from cancer-related causes.

Rep. John Dingell (D-Mich.), chairman of the House Energy and Commerce Committee, latched onto the results of the SEAS trial in his continuing indictment of Vytorin.

"The results of this study once again raise questions about whether Vytorin is a safe and effective drug," Dingell said in a statement about the study's results. "I'm interested in learning what the FDA plans to do about this questionable drug. Our investigation will continue as we explore whether Vytorin may be more dangerous than we had previously been led to believe."

The SEAS data caused Merck not to issue a financial forecast for equity income for which sales of Vytorin and its component drug Zetia (ezetimibe) are a part. The products are sold under a joint venture with Schering-Plough.

In April, the company reduced its guidance for equity income by \$700 million based on its expectation for the venture. Income for the operation was down \$100 million during the second quarter based on U.S. market share losses for the drugs, according to Merck. -- Christopher Hollis

Release date: July 23, 2008

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**Bloomberg**  
**Pfizer Profit More Than Doubles on Sales Outside U.S.**  
**July 23, 2008**  
**By Shannon Pettypiece**

July 23 (Bloomberg) -- Pfizer Inc., the world's largest drugmaker, said second-quarter profit more than doubled as the company cut costs and boosted sales outside the U.S., where it benefited from favorable exchange rates.

Net income increased to \$2.77 billion, or 41 cents a share, from \$1.27 billion, or 18 cents, a year earlier, the New York-based company said today in a statement. Profit excluding some items beat analysts' estimates by 1 cent, and the company jumped as much as 3 percent in early New York trading.

Earnings a year earlier had plummeted after rebates drove down revenue from the company's top-selling medicine, the Lipitor cholesterol pill, and generic rivals ate into sales of its Norvasc blood pressure drug. Pfizer Chief Executive Officer Jeffrey Kindler has cut costs since then by closing labs, manufacturing plants, and eliminating more than 11,000 jobs as the company faces generic competition to Lipitor in 2011.

"It clearly looks like the company is doing a good job controlling costs," said Michael Krensavage, of Krensavage Asset Management in New York, in a telephone interview today. "The expectations for Pfizer were pretty low, so as long as the company can avert disaster, their stock will probably rise."

Pfizer rose 3 percent, or 55 cents, to \$18.90 in trading before the New York Stock Exchange opened. It has lost 27 percent of its value in the 12 months before today.

#### Forecast Reaffirmed

Pfizer reaffirmed its 2008 net income forecast of \$11.7 billion to \$12.8 billion, or \$1.73 to \$1.88 a share, and its adjusted earnings projection of \$2.35 to \$2.45. Profit excluding some items was 55 cents a share, compared with the 54-cent average estimate by 14 analysts surveyed by Bloomberg.

Revenue overall rose 9 percent to \$12.1 billion in the quarter. International sales jumped 18 percent, the company said, mostly driven by favorable money exchange rates. U.S. revenue dropped 2 percent from a year earlier on declining use of Lipitor and Norvasc.

In May, Kindler told analysts at the Deutsche Bank Health Care Conference that he planned to increase sales in Asia, Latin America, and Eastern Europe as the market there is set to jump to \$225 billion by 2011. Pfizer then had 3 percent of the \$149 billion market in those regions, according to the company.

Lipitor revenue rose 9 percent globally to \$3 billion as international sales offset declining use of the cholesterol drug in the U.S. where it faces competition from generic copies Merck & Co.'s Zocor.

#### Lyrica, Celebrex

Pfizer's pain pill Lyrica increased 52 percent to \$614 million after becoming the first drug approved for fibromyalgia, a condition that causes chronic fatigue and pain. The arthritis pill Celebrex gained 23 percent to \$589 million following an increase in television commercials for the medicine.

Lyrica and Celebrex helped offset a \$377 million loss in sales for Zyrtec, which it sold the over-the-counter right to Johnson & Johnson, and a \$104 million loss from generic competition to the cancer treatment Camptosar.

Earnings also gained from a \$426 million tax benefit from selling the biotechnology unit Esperion Therapeutics Inc., located in Ann Arbor, Michigan.



To contact the reporter on this story: Shannon Pettypiece in New York at  
spettypiece@bloomberg.net

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**MarketWatch.com**

**Pfizer's profit doubles on lower costs, positive exchange rate**

**July 23, 2008**

**By Val Brickates Kennedy**

BOSTON (MarketWatch) -- Pfizer, the world's largest drugmaker, reported that its second-quarter profit more than doubled, due largely to a favorable currency exchange rate and lower costs.

The New York-based drugmaker posted net income of \$2.78 billion, or 41 cents a share, compared with \$1.27 billion, or 18 cents a share, for the same period in 2007.

Last year's quarter included charges of \$1.1 billion for restructuring, while restructuring costs for the 2008 quarter amounted to only \$569 million.

Pfizer's market float was also smaller this quarter due to a share buyback program, decreasing from 6.99 billion shares to 6.73 billion. The drugmaker said it repurchased \$10 billion of its shares during 2007.

Excluding various charges, Pfizer (PFE, US) would have reported adjusted earnings of 55 cents a share versus 42 cents last year, due in part to lower operating costs.

Revenue for the quarter rose 9% to \$12.1 billion. A favorable foreign exchange rate contributed 7%, the company said.

According to FactSet Research, analysts pegged Pfizer at posting earnings of 54 cents a share. Sales were seen around \$11.55 billion, up from \$11.08 billion last year.

Pfizer's top line has seen considerable erosion over the past few years due to the loss of patent protection for several once-hot products, such as the antidepressant Zoloft and blood-pressure medication Norvasc. The company also recently lost U.S. exclusivity for the popular allergy drug Zyrtec and oncology product Camptosar.

Sales of Pfizer's No. 1 product, the cholesterol agent Lipitor, increased 9% to \$3 billion, helped by a positive exchange rate. Lipitor has been facing increased competition from products such as generic Zocor.

According to a recent note by Cowen & Co., Lipitor sales were seen as coming in 3% lower at \$2.7 billion.

Sales of the company's pain medication Lyrica shot up 52% to \$614 million, while Celebrex sales climbed 23% to \$589 million.

Pfizer also reaffirmed its 2008 financial forecast. It sees earnings per share of between \$1.73 and \$1.88, with adjusted earnings of \$2.35 to \$2.45. Revenues should come in between \$47 billion and \$49 billion.

Pfizer, the world's largest drugmaker, reported that its second-quarter profit more than doubled, due largely to a favorable currency exchange rate and lower costs.

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**Reuters**

## **Pfizer profit doubles, but anti-smoking drug lags**

**July 23, 2008**

**By Ransdell Pierson**

NEW YORK, July 23 (Reuters) - Pfizer Inc on Wednesday said quarterly earnings more than doubled on higher sales of its prescription drugs and lower expenses, but its Chantix quit-smoking drug lost more than a third of its U.S. sales amid safety concerns.

The company, whose shares rose 2.7 percent, earned \$2.78 billion, or 41 cents per share, in the second quarter. That compared with \$1.27 billion, or 18 cents per share, a year earlier, when Pfizer took large charges for restructuring and merger-related costs.

Excluding special items, Pfizer earned 55 cents per share. Analysts on average expected 54 cents per share, according to Reuters Estimates.

Company revenue rose 9 percent to \$12.13 billion, but would have increased only 2 percent if not for the weak dollar, which boosts the value of overseas sales when converted back into U.S. currency. Reuters Estimates had expected revenue of \$11.47 billion.

The world's largest drugmaker reaffirmed it expects earnings this year to grow as much as 11 percent, due largely to a cost-cutting program that has cut 25,000 jobs, or 23 percent of the company's work force, since late 2004. It said the company is on track to reduce costs by the end of the year at least \$1.5 billion to \$2 billion, compared with 2006.

"Pfizer beat on the bottom line obviously and beat on the top line" during the quarter, said Deutsche Bank analyst Barbara Ryan. "Their guidance clearly is being reiterated so everything is on track," she said, attributing the good quarterly results largely to benefits of its cost-cutting program.

Pfizer has vowed to protect its industry-topping dividend, whose \$8 billion-a-year cost to Pfizer is roughly equivalent to the company's annual net income.

Even though the generous dividend keeps many investors faithful to Pfizer, company shares have lost more than a fourth of their value in the past year, compared with about a 13 percent decline for the American Stock Exchange Pharmaceutical Index <.DRG> of large U.S. and European drugmakers.

Pfizer's shares are now trading at 11-year lows, sapped by the company's failure to come up with enough big new medicines to replace those facing generic competition.

The company's U.S. sales fell 2 percent in the quarter, hurt by waning demand for Chantix, a medicine approved in mid-2006 that Pfizer had been counting on to help drive earnings growth in coming years. But the company in January said the drug would begin carrying a warning that it may cause agitation, depression and suicidal behavior, raising doubts about its future growth prospects.

Global sales of Chantix, sold as Champix overseas, rose 3 percent to \$207 million, but plunged 35 percent to \$109 million in the United States.

Second-quarter results were also hurt by U.S. loss of patent protection on allergy drug Zyrtec, which Pfizer no longer sells, and generic competition for cancer drug Camptosar, whose global sales fell 43 percent to \$137 million.

But many of Pfizer's biggest drugs fared well, helped by price increases earlier in the year.

Global sales of cholesterol fighter Lipitor, the world's top-selling medicine, jumped 9 percent to \$2.98 billion, given a boost by growing concerns about the value of Vytorin, a more potent rival drug sold by Merck & Co and Schering-Plough Corp .

Lyrica, used to treat nerve pain and recently also approved to treat fibromyalgia, soared 52 percent to \$614 million. Sales of arthritis drug Celebrex rose 23 percent to \$589 million, in a continuing rebound for the medicine following earlier sales declines linked to safety concerns.

Sales of anti-impotence treatment Viagra rose 21 percent to \$463 million despite strong competition from Eli Lilly and Co's longer-acting Cialis brand.

Shares of Pfizer rose to \$18.85 in premarket trading, from their close of \$18.35 Tuesday on the New York Stock Exchange. (Additional reporting by Bill Berkrot) (Reporting by Ransdell Pierson; Editing by Lisa Von Ahn and Steve Orlofsky)

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#### **Associated Press**

#### **Pfizer 2nd-quarter profit more than doubles on overseas sales and currency exchange July 23, 2008**

**By Linda A. Johnson**

TRENTON, New Jersey (AP) - Pfizer on Wednesday said its second-quarter profit more than doubled as restructuring charges declined and the weak dollar helped lift overseas revenue, offsetting new generic competition and enabling the company to just beat Wall Street expectations.

New York-based Pfizer, the world's biggest drugmaker, said profit rose to \$2.78 billion, or 41 cents per share, compared with \$1.27 billion, or 18 cents per share, a year ago.

Revenue rose 9 percent, to \$12.13 billion from \$11.08 billion, even though U.S. revenue dropped by 2 percent. International sales made up for that, surging 18 percent, with favorable currency exchange rates adding \$800 million, or 7 percent, to revenue.

Excluding one-time charges, Pfizer Inc. said it earned 55 cents per share. Analysts surveyed by Thomson Financial were expecting earnings of 54 cents per share and \$11.46 billion in revenue. Such estimates usually exclude one-time items.

Revenue in Pfizer's pharmaceutical division jumped 9 percent to \$11.1 billion. Higher revenue from favorable exchange rates, and growing sales of many key products, offset lost sales from U.S. generic competition for three drugs. Those were blood-pressure medicine Norvasc, allergy drug Zyrtec and colon-cancer drug Camptosar, which saw revenue fall by a combined \$496 million.

Sales of cholesterol fighter Lipitor, the world's top-selling drug, increased 9 percent to \$3 billion. Sales were up by double digits for arthritis and pain treatment Celebrex, at \$589 million, and nerve-pain treatment Lyrica, at \$614 million.

Sales of animal health products jumped 13 percent to \$715 million.

Chief Executive Jeff Kindler said in a statement that the results "clearly demonstrate our ability to continue to deliver solid performance in an increasingly challenging environment."

He noted Pfizer reached an agreement during the quarter with Ranbaxy Laboratories Ltd. to hold off U.S. generic competition until at least December 2011 for Lipitor, which has been facing tougher competition since a generic version of rival pill Zocor became available two years ago.

Pfizer reaffirmed its earnings forecast for the 2008 fiscal year, at \$2.35 to \$2.45 per share, excluding one-time charges.

Chief Financial Officer Frank D'Amelio said that as of the end of the second quarter, Pfizer had reached \$1.2 billion of its target of cutting annual spending, from 2006 levels, by \$1.5 billion to \$2 billion by year's end. He said the company expects to achieve many of the remaining cuts in the fourth quarter.

For the first six months, net income rose 19 percent to \$5.56 billion or 82 cents per share, from \$4.66 billion or 66 cents per share. Revenue totaled \$23.98 billion, up nearly 2 percent from \$23.56 billion in the first half of 2007.

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**BusinessWeek.com**

**Big Pharma: What Safe Haven? A reputed stronghold for investors, the drugmaking sector faces increasing risks: fewer prescriptions filled, patent expirations, and FDA rejections of new drugs**

**July 22, 2008**

**By Arlene Weintraub**

Pharmaceutical stocks have been rallying of late, buoyed by news of richly priced mergers, including Roche's \$44 billion bid for Genentech (DNA) on July 21 and the \$7 billion offer by generic drugmaker Teva Pharmaceutical Industries (TEVA), a few days earlier, for rival Barr Pharmaceuticals (BRL). But it's not just consolidation that's drawing investors to drug stocks. Even in the face of unprecedented challenges, ranging from patent expirations on billion-dollar products to an increasingly tough regulatory environment, investors keep piling in. On July 15, the market value of health-care stocks in the Standard & Poor's 500-stock index exceeded that of financial-services firms for the first time since 1992. The American Exchange Pharmaceutical Index is up 4.1% since July 1, while the S&P 500 has dropped 1.7%.

But amid this pharmaceutical frenzy, investors got a sobering reminder of just how risky it is to be investing in drugmakers. On July 21, Schering-Plough's (SGP) shares -- which had rallied 35% in the prior three months -- plunged 12% on news that its embattled cholesterol drug Vytarin performed poorly in a clinical trial. The news also pushed down shares of Merck (MRK), which co-markets Vytarin.

The share declines underscored the risks of flocking to pharmaceutical companies as safe havens in bear markets. Investors often favor drugmakers as an alternative to battered sectors because people generally don't stop taking their prescription drugs when their pocketbooks get squeezed. Most large pharmaceutical companies have healthy cash flows, and they pay generous dividends, even in the worst of economic slumps. What's more, investors can make out fabulously when they place bets on companies that are strong takeover targets: Roche offered a 9% premium over Genentech's previous closing price, while Teva offered to pay 43% more than where Barr's stock had been trading.

**Unfounded Reputation for Stability?**

The drug industry's safe-haven status is coming into question, as even the most basic assumptions about its stability are proving untrue. In the second quarter, the number of prescriptions fell for the first time since the mid-1990s. Polls show that because of rising health-care costs, patients are more apt to skip doses or cut their pills than they were three years ago. And nearly one-quarter of patients report not filling a prescription because of expenses, says the Henry J. Kaiser Family Foundation.

Add in the long-term threats to the industry, and it starts to look as if cash or perhaps U.S. Treasuries might be a safer investment than drugs. Some of the biggest industry names are

facing daunting patent expirations. Pfizer (PFE) will lose its \$13 billion-a-year cholesterol blockbuster, Lipitor, to generic competition in 2011. Bristol-Myers Squibb's (BMY) powerhouse blood thinner Plavix, with \$5 billion in sales, goes off patent that same year. Merck already lost patent protection for its \$3 billion osteoporosis drug, Fosamax, earlier this year.

Drug companies are trying desperately to come up with substitutes for these big products, but even there, Big Pharma is struggling. Part of the problem is that the Food & Drug Administration has become increasingly picky and cautious. The federal regulator has been rejecting more drugs because of safety concerns or a lack of compelling evidence that they represent a true advance over what's already available. In April, Merck suffered two FDA rejections in three days, including one for a cholesterol drug that analysts had predicted would be a blockbuster. "In terms of generic exposure and the success of the pipeline, it doesn't look great," says Herman Saftlas, a pharmaceutical analyst for Standard & Poor's, which, like BusinessWeek, is owned by The McGraw-Hill Companies (MHP).

#### Cost-Cutting: Not a Long-Term Fix

History shows that even the dividend isn't sacred in this industry. In 2003, Schering-Plough CEO Fred Hassan slashed the company's dividend to 22% a share from 64% as part of a turnaround strategy. [The dividend is now 26% a share.] Investors were none too happy, and those who have stuck with Hassan have been on a sickening roller-coaster ride. Their shares returned nearly 60% by mid-2007, but then went into a free fall earlier this year, when a study suggested Schering's cholesterol drug Vytorin may be no more effective than cheaper alternatives.

Prior to the recent second round of bad Vytorin news, Schering had been rebounding partly on the success of Hassan's cost-cutting initiatives. Most pharmaceutical companies have spent the last few years slashing sales personnel and implementing efficiency plans to prop up earnings. But there's only so much cutting they can do; slimming efforts may only benefit shareholders in the short term.

#### Safety in Diversity

Is anything in this sector truly safe? Analysts recommend companies such as Johnson & Johnson (JNJ) and Abbott Laboratories (ABT), which are diversified well beyond prescription drugs. On July 15, J&J beat earnings estimates, thanks in part to a 13% jump in sales of consumer products and over-the-counter drugs. J&J's hit products include Listerine, Tylenol, and most recently, Zyrtec, an allergy drug the company converted from prescription to over-the-counter. Stephen O'Neil, an analyst for Hilliard Lyons, writes in a report that he expects J&J to trade at a 15% premium to the S&P 500 "due to its diverse business, high returns, and strong financial condition." He adds that "no one product or business is likely to dominate [the company's] results," helping it to weather disappointments in its medical devices and drug units. Johnson & Johnson's stock has returned 3% this year. The S&P 500, by contrast, has lost 16%, and the S&P 500 Health Care Index is down 10%.

More merger-and-acquisition activity might fuel rallies in some companies' shares. Picking the right targets could be a challenge, though. Even though Roche had long owned a majority of Genentech's shares, few expected the Swiss giant to swoop in and buy the rest, because European executives there swore they preferred to maintain an arms-length relationship with the South San Francisco [Calif.] biotech. Barr, on the other hand, was a more obvious takeover target; the generic drugmaker's shares had lost 23% of their value in May amid fallout from a surprisingly bad earnings report.

Barr serves as yet another reminder of how one piece of bad news can change virtually everything for a drugmaker in a flash. In a storm, the drug sector may be a beacon to risk-tolerant investors. But a safe haven it's not.

**The Sun Online (San Bernardino, CA)**  
**Sniffles, sneezes and meds**  
**July 19, 2008**  
**By Steve Lambert**

It must have been something I said.

All those foul moods. All that attitude. All that ah, ah choooooooooo!

Damn allergies ... I mean, excuse me.

Yeah, it's that time of year again, and while I'm not an allergy sufferer per se, my eyes, nose and throat were feeling it these past two weeks - an itchy, scratchy reminder of what it's like for those who live in constant fear of pollen and cat hair.

Fifty million to 100 million Americans suffer from allergies of one form or another - enough to make Zyrtec the most hyped new over-the-counter drug on the market.

All of which feels a little suspicious, doesn't it? For starters, we can't pin it any closer than 50 million to 100 million people? Sounds like vote counts in Florida.

Then Johnson & Johnson buys Pfizer's over-the-counter business a year before the latter's patent expires on Zyrtec - at the time, a \$1.5 billion-a-year prescription-only medication.

Soon after, the Food and Drug Administration approves Zyrtec for over-the-counter release. Johnson & Johnson's sales surge. The CEO gets \$25 million.

In the words of comedian Bill Maher: "If you believe you need to take all the pills the pharmaceutical industry says you do, then you're already on drugs."

And yet, it's hard to look the other way when one of your own is suffering, creating a chicken-or-egg scenario of which came first, the malady or the meds.

Looking back, I don't remember much talk of allergies when I was a kid, and when it did come up, it was usually in the extreme - like Piggy, the nagging asthma-ridden antagonist in "Lord of the Flies."

Even then, however, DuPont and others were convincing us that better living could be achieved through chemistry. We're not just talking nylons and paint, either. In 2001, after building its partnership with Merck into a multibillion-dollar-a-year drug empire, DuPont sold it for \$7.8 billion.

Its buyer, Bristol-Myers Squibb, was nabbed a year later by the feds for reportedly trying to keep low-cost generics from entering the market and competing with its Taxol and Platinol anti-cancer drugs. Black eye notwithstanding, among B-M Squibb's most stalwart endorsers: American hero and cancer survivor Lance Armstrong.

I guess it is easy to look the other way.

Or it may help explain those surly moods when allergy season rolls around: Drug companies - can't live with them, can't breathe without them.

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**Medical Marketing & Media**  
**THE TOP 60**  
**July 2008**

**By Ben Comer**

CommonHealth agency works to find the magic in pharma advertising

Noesis, which means "to think" in Greek, gained new accounts in 2007 from network parent CommonHealth's decision to divide professional agency Adient between Noesis and Carbon. Professional and consumer work from Johnson & Johnson, Novartis and American Regent were gained in the transition. Noesis also won new accounts from Forest Laboratories, Merck and Adams Respiratory Therapeutics. Noesis hired Peter Zamiska as its chief creative officer, whom president John Nosta describes as having "put The Cement Works on the map."

At Noesis, Zamiska will have his work cut out for him. "We have to bolster the thinking behind [pharma] advertising," says Nosta. "The advertising magic is gone. Agencies are staffed with ad people, and anemic from a creative perspective."

Nosta offers several reasons for the industry's stagnancy, as well as ideas for "transcending pharmaceutical advertising's myopic world view." Commenting on the industry's reputation, Nosta says, "We are in an industry that changes lives, one that moves HIV into a controllable disease, and we're still laughed at."

One necessary change, according to Nosta, is the creation of solid communication with physicians, including the creation of likable ads. "We want to address the issue of healthcare advertising for pharmaceutical companies. Campaigns are boring-smiling faces, mindlessly laddered benefits-with no creative granularity. Physicians look at these ads in contempt. We need to inspire, motivate and educate."

Continues Nosta, "There is cognitive dissonance in the marketplace. Enthusiasm for the marketplace is deficient and anemic. People hand out a bundle of benefits, and science nerds cluster their features and play it safe. We're a rebellious shop, but have a strong base in CommonHealth and WPP, which helps us move behavior research to consumers."

Noesis has plenty of opportunity to reach consumers, as the agency is involved in five new launches, which include Zyrtec (manufacturing and marketing duties were ceded from Pfizer to McNeil in January, when Zyrtec hit pharmacy shelves OTC), an opiate for Abbott, AstraZeneca's AZD 6140 antiplatelet and a Forest product for fibromyalgia. "We're also working on a major Johnson & Johnson project," adds Nosta.

"Finding the right people is a challenge," says Nosta. "We use everything from internal HR to external headhunters, and we also have people calling us." Another challenge for Noesis is procurement. "Clients are watching every dollar. It's important to provide the highest value, good thinking and great work, in order to compete with low cost, understaffed boutiques." One way Noesis optimizes its capabilities is working closely with Qi, CommonHealth's digital/interactive agency. "We work with Qi every day," says Nosta, although he doesn't consider emerging technology to be a solution by itself. "[Interactive/digital] is where the action is,' but the message still has to be correct. The insight is still the insight," he says.

Nosta is optimistic about Noesis's future. "We're hot right now. As you think, so you act; as you act, so you become," he says. "Our background is in science, and we're students of advertising."- Ben Comer

**AT THE HELM**

John Nosta, president

**HIGHLIGHTS**

Involved in five new major launches

Gained professional and consumer work for J&J and Novartis from CommonHealth's division of Adient

Hired Peter Zamiska as its chief creative officer

## CHALLENGES

Creating likable work that appeals to doctors

Working with Qi on procurement issues

For contact details, service offerings and client roster, see Agency A-to-Z, beginning on page 153

"We are in an industry that changes lives, one that moves HIV into a controllable disease, and we're still laughed at"

-John Nosta

Noesis, which means "to think" in Greek, gained new accounts in 2007 from network parent CommonHealth's decision to divide professional agency Adient between Noesis and Carbon. Noesis hired Peter Zamiska as its chief creative officer, whom president John Nosta describes as having "put The CementWorks on the map." Nosta offers several reasons for the industry's stagnancy, as well as ideas for transcending pharmaceutical advertising's myopic world view. Noesis has plenty of opportunity to reach consumers, as the agency is involved in five new launches, which include Zyrtec, an opiate for Abbott, AstraZeneca's AZD 6140 antiplatelet and a Forest product for fibromyalgia.

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## Associated Press

### Earnings Preview: Schering-Plough July 18, 2008

KENILWORTH, N.J. - Schering-Plough Corp., a major drug and consumer health products maker, reports earnings for the second quarter on Monday morning. The following is a summary of key developments and analyst opinion related to the period.

OVERVIEW: Schering-Plough, a major maker of respiratory, hepatitis and cholesterol drugs, has seen revenue boom since its November acquisition of Dutch biopharmaceutical company Organon BioSciences NV for \$14 billion, its biggest buy ever. The deal made the world's 16th-biggest drugmaker a world leader in veterinary medicines and women's health products, including the contraceptives Implanon and Nuvaring.

But revenue has been falling steadily for cholesterol drugs Vytorin and Zetia, which it markets jointly with Merck & Co., since a study in January showed they didn't prevent arterial plaque buildup better than a cheaper generic.

Amid the fallout, CEO Fred Hassan recently started the company's second major restructuring since he took over in 2003, aiming to cut another 10 percent of jobs and \$1.5 billion in annual costs.

Last month, the company and partner Merck & Co. said they've ended efforts to get U.S. regulators to approve an allergy drug that combines Schering's Claritin and Merck's Singulair — a



couple months after the FDA rejected it. Besides the HomeAgain pet recovery system, Schering-Plough also makes a host of popular consumer products, such as Dr. Scholl's foot products and the Coppertone sun-care line.

**BY THE NUMBERS:** Analysts polled by Thomson Financial expect, on average, earnings per share of 41 cents and revenue of \$4.76 billion. In the year-earlier period, earnings per share were 34 cents and revenue was \$3.18 billion. In the first quarter, earnings per share fell to 15 cents from 36 cents a share in the 2007 period, due to charges from the Organon acquisition.

**ANALYST TAKE:** Cowen and Co. analyst Steve Scala predicts total revenue will jump nearly 50 percent, mainly because of the Organon purchase. But he writes that equity income from the cholesterol drug joint venture will be down by 10 percent in the second quarter.

Goldman Sachs analyst Jim Kelly two weeks ago lowered his earnings-per-share forecast by a few cents for each of the next five years, citing expected lower sales of prescription allergy drug Clarinex and of nonprescription allergy drug Claritin. In January, Claritin got competition from Johnson & Johnson's newly over-the-counter Zyrtec, which has been grabbing market share.

On the other hand, Lehman Brothers analyst Charles Butler recently raised his rating to "Buy" and lifted his price target to \$27 per share from \$22, saying Schering-Plough will post better profit and revenue growth than rivals through 2012, because of limited patent expirations the next few years, an undervalued product pipeline and other diversified businesses.

**WHAT'S AHEAD:** Leerink Swann analyst Seamus Fernandez thinks two experimental drugs awaiting FDA approval could be catalysts for the stock later this year: asenapine, for schizophrenia and bipolar mania, and sugammadex, for reversing the effects of anesthesia. But he writes that odds for asenapine's approval look "like 50/50 in this FDA environment." That's because the agency is viewed as being tougher on experimental drugs the past couple years, rejecting applications or requiring new data more than it previously did.

With Centocor, a unit of Johnson & Johnson, Schering-Plough is jointly developing golimumab, a monthly injection under the skin to cut arthritis pain. Three late-stage studies have shown it reduced arthritis symptoms, and the companies recently applied for FDA approval.

**STOCK PERFORMANCE:** Shares rose 37 percent to \$19.69 during the second quarter. In the first half of 2008, shares fell 26 percent.

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**The Star-Ledger Online**  
**J&J raises outlook, despite slow pharmaceutical sales**  
**July 15, 2008**  
**By Jeff May**

Johnson & Johnson this morning said its profit increased almost 12 percent in the second quarter to \$3.3 billion, as strong sales of consumer products and medical devices offset a disappointing performance from the pharmaceuticals division.

Earnings per share were \$1.17, compared with \$1.05 a year ago. Analysts had expected a profit of \$1.12 a share, according to a consensus estimate by Thomson Financial.

The New Brunswick health-care giant -- New Jersey's largest publicly traded company -- also increased its full-year outlook for earnings to a range of \$4.45 to \$4.50 a share. Analysts had targeted the low end of that scale.

Sales were a record \$16.5 billion, which exceeded analyst estimates by approximately \$500 million.

Not everything was rosy, however. Overall pharmaceutical sales grew only 3.1 percent, however, a performance boosted in part by currency exchange rates.

"We are successfully managing through short-term pressures while continually making progress to enhance our long-term growth," J&J chief executive William Weldon said in a statement.

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**Dow Jones (picked up by MarketWatch.com, CNNMoney.com)  
J&J Posts Higher Net, Citing Dollar Woes And Medical-Device Sales  
July 15, 2008  
By Val Brickates Kennedy**

BOSTON (Dow Jones) -- Johnson & Johnson reported moderately higher second-quarter earnings Tuesday, edging past most analyst expectations, on the strength of favorable currency rates and sales of its medical devices and consumer products.

The world's largest health-care company, maker of Band-Aids and Tylenol, said it earned \$3.3 billion, or \$1.17 cents a share, compared with \$3.1 billion, or \$1.05 a share, for the same quarter in 2007.

Excluding certain charges, J&J (JNJ) would have reported adjusted earnings of \$1.18 a share.

Revenue rose 8.7% to \$16.45 billion, from \$15.1 billion last year. The company said exchange rates contributed about 5.6%.

This year's quarter also contained an additional billing day over the past year's quarter, according to analyst reports.

A poll of analysts by FactSet Research pegged J&J to make \$1.12 a share, on revenue of \$16.23 billion.

J&J also increased its 2008 financial estimates, saying it expects to earn \$4.45 to \$4.50 a share this year. Most analysts put that figure at \$4.43 a share, according to FactSet.

In afternoon trading, shares of J&J, a component of the Dow Jones Industrial Average, were up \$1.30 at \$67.71

Pharmaceuticals sales, including the impact of the weak U.S. dollar, rose 3.1 % to \$6.3 billion. Excluding that impact, however, drug sales actually fell 1.3% operationally. J&J attributed the shortfall to declining sales of its anemia-fighting drug Procrit and antipsychotic medication Risperdal, which had been its best-selling treatment.

J&J said sales of Procrit plunged 14% to \$652 million. Procrit sales have been under pressure in recent quarters due to lingering concerns about its safety for certain patients. Amgen Inc. (AMGN) markets an almost identical product under the name Epogen.

Risperdal sales, meanwhile, skidded 16% to \$712 million. A widely-prescribed psychiatric drug, Risperdal lost patent protection earlier this year.

However, sales of a newer, longer-acting version of the drug, called Risperdal Consta, showed solid growth, up 23% at \$343 million. The product was co-developed with Alkermes Inc. (ALKS)

Strongest growth was seen by the epilepsy drug Topamax and the blood cancer therapy Velcade. Topamax sales jumped 17% to \$677 million. Sales of Velcade, marketed by Takeda's recently-acquired Millennium Pharmaceuticals unit, saw sales rocket 63% to \$205 million.

Medical-device sales were rosier, climbing 12% to \$6.1 billion. Growth was powered by several products, including Vistakon contact lenses, diabetes-care products, DePuy artificial joints, and Ethicon minimally-invasive surgical products.

J&J's Cordis unit, which markets the Cypher drug-coated stent, saw sales decline 6% operationally to \$852 million. Sales of drug-coated stents have been on the decline in recent quarters in the U.S. over concerns that they may be inappropriate for some cardiac patients.

J&J is a leading marketer of drug-coated stents, along with Boston Scientific Corp. (BSX) Abbott Laboratories (ABT) and Medtronic Inc. (MDT) have also recently introduced drug-coated stent products.

Sales of the company's consumer products jumped 13% to \$4.0 billion, also aided by a favorable exchange rate. Bright spots included the launch of an over-the-counter formulation of its antihistamine Zyrtec, Listerine oral hygiene products, baby-care products, and skin-care products such as Neutrogena and Aveeno.

In 2006, J&J nearly doubled the size of its consumer products division with the \$16.6 billion acquisition of Pfizer's personal care and health-products unit. [ 07-15-08 1439ET ]

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#### **Reuters**

#### **J&J profit beats forecast, shares up 2 pct**

**July 15, 2008**

**By Ransdell Pierson**

NEW YORK, July 15 (Reuters) - Johnson & Johnson (JNJ.N: Quote, Profile, Research, Stock Buzz) posted second-quarter earnings that beat Wall Street expectations on Tuesday, as strong demand for its medical devices and consumer products overshadowed negligible growth of prescription drugs.

The diversified health-care company, whose shares rose 2 percent in midday trading, said it earned \$3.3 billion, or \$1.17 per share, in the quarter. That compared with \$3.08 billion, or \$1.05 per share, in the year-earlier period.

Excluding special items, the company earned \$1.18 per share. Analysts, polled by Reuters Estimates, on average had expected \$1.12 per share.

"Revenue and earnings came in well above what we were looking for and what the street was," said Jeff Jonas, portfolio manager with Gabelli Healthcare and Wellness Trust. "The strength really came in the device and the consumer businesses."

Edward Jones analyst Linda Bannister said overall drug sales, however weak, were better than expected, as declines for J&J's Procrit anemia drug and Risperdal schizophrenia treatment were not as extreme as feared.

"Overall, it was a pretty solid quarter for J&J, with a good beat versus earnings expectations despite a challenging environment for the company," Bannister said.

J&J has long been accustomed to double-digit annual earnings growth from its array of drugs, medical devices and consumer products. But it is expecting only single-digit growth this year, largely due to generic U.S. competition that began recently for Risperdal.

The company's longtime biggest product, and an injectable long-acting form of the medicine known as Risperdal Consta, last year had sales of \$4.5 billion. Moreover, J&J is girding for expected arrivals next year of generic forms of its \$2.5 billion-a-year Topamax epilepsy medicine.

"The pharmaceutical business is going to get weaker in the second half, so that's going to be more challenging," Gabelli's Jonas said. "But if they can keep up the device and consumer momentum they should be able to offset that."

Citing favorable second-quarter trends, J&J raised its 2008 earnings forecast, excluding special items, to between \$4.45 and \$4.50 per share, from its earlier view of \$4.40 to \$4.45 per share.

Quarterly sales rose 8.7 percent to \$16.45 billion, above the \$16 billion Reuters Estimates had forecast. They would have risen only 3.1 percent if not for the weak dollar, which boosts the value of overseas sales when converted back into U.S. currency.

Revenue from medical devices rose 12.1 percent in the quarter to \$6.1 billion, with strong growth for the company's DePuy orthopedic products, diabetes care brands, surgical products and diagnostics.

"Devices were the surprise relative to the first quarter," Tim Nelson, an analyst with FAF Advisors said, noting that investors had been concerned patients would postpone elective orthopedic procedures due to the weak economy.

"It turns out the contraction in procedures didn't occur," Nelson said. Continued strong demand for the company's spine, hip and knee devices helped lift shares of orthopedic device makers Zimmer Holdings Inc (ZMH.N: Quote, Profile, Research, Stock Buzz) and Stryker Corp (SYK.N: Quote, Profile, Research, Stock Buzz), he added.

Revenue from J&J's array of consumer products -- including Listerine mouthwash and other brands recently acquired from Pfizer Inc (PFE.N: Quote, Profile, Research, Stock Buzz) -- rose 13.2 percent to \$4.0 billion.

But global sales of prescription drugs grew only 3.1 percent to \$6.3 billion and would have fallen 1.3 percent if not for favorable foreign exchange factors.

Drug sales were dragged down by shrinking demand for Procrit, which has been hurt by safety concerns, and generic competition outside the United States for Risperdal.

Combined sales of Procrit and a similar anemia treatment called Eprex sold overseas fell 14 percent to \$652 million. Risperdal sales fell 16 percent to \$712 million.

J&J shares were up \$1.38, or 2.08 percent, at \$67.79 on the New York Stock Exchange. They are trading near their 52-week high of \$68.85, having risen 6.6 percent during that period.

That performance, helped by J&J's unmatched diversification, stands in contrast to a 15 percent decline for the American Stock Exchange Pharmaceutical Index .DRG of large U.S. and European drugmakers over the past year. (Additional reporting by Lewis Krauskopf in New York; Editing by Maureen Bavdek)

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**Bloomberg**  
**J&J Profit Rises on Consumer Products, Overseas Sales**  
**July 15, 2008**  
**By Alex Nussbaum**

July 15 (Bloomberg) -- Johnson & Johnson, the world's largest maker of health-care products, said earnings rose 8 percent, boosted by overseas sales, foreign currency exchange rates and consumer products that defied the weak U.S. economy.

Net income for the second quarter climbed to \$3.33 billion, or \$1.17 a share, from \$3.08 billion, or \$1.05 a share, a year earlier, the New Brunswick, New Jersey-based company said today in a statement distributed by PR Newswire. Adjusted earnings beat by five cents the \$1.13-a-share average estimate in a Bloomberg survey of 14 analysts. Revenue increased to \$16.5 billion from \$15.1 billion.

Chief Executive Officer William Weldon pursued growth overseas to counter sluggish U.S. sales and competition from low-cost generic drugs. Rising revenue from exchanging foreign currencies into weak U.S. dollars and from consumer goods, led by baby-care products and Zyrtec allergy pills, offset slumps for the anemia drug Procrit, the antipsychotic Risperdal, and Cordis, the unit that makes Cypher heart stents. The company raised its forecast for 2008 earnings to \$4.45 to \$4.50 a share, from the \$4.40 to \$4.45 predicted in April.

"It's kind of a steady-as-she-goes, safe-haven stock," said Les Funtleyder, an analyst with Miller Tabak & Co. in New York, in a telephone interview before the announcement. "I don't see much variation in this quarter from what we've seen the last couple of quarters: a strong consumer unit, but suboptimal pharmaceutical and medical-device divisions."

J&J rose 15 cents to \$66.41 yesterday in New York Stock Exchange composite trading and lost 29 cents since the start of the year. The Standard & Poor's 500 Pharmaceuticals Index of J&J and 13 other drugmakers has dropped 13 percent this year.

To contact the reporter on this story: Alex Nussbaum in New York [anussbaum1@bloomberg.net](mailto:anussbaum1@bloomberg.net).

Last Updated: July 15, 2008 08:10 EDT

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**Associated Press****Johnson & Johnson posts 8 percent profit jump in Q2; over-the-counter Zyrtec helps boost sales****July 15, 2008****By Linda A. Johnson**

TRENTON, New Jersey (AP) - Health-care giant Johnson & Johnson said Tuesday its second-quarter profit rose 8 percent and beat forecasts on sharply higher sales of consumer health items and surgical and diabetes products.

New Brunswick, New Jersey-based Johnson & Johnson posted net income of \$3.33 billion, or \$1.17 per share, compared with \$3.08 billion, or \$1.05 per share, in the second quarter of 2007.

Revenue totaled \$16.45 billion, up 9 percent from \$15.13 billion.

Excluding a \$40 million charge for an acquisition, profit would have been \$3.37 billion, or \$1.18 per share.

Analysts polled by Thomson Financial, on average, forecast profit of \$1.12 per share on revenue of \$16 billion.

International sales jumped 16 percent to \$8.24 billion, just passing U.S. sales, which edged up just 2 percent to \$8.21 billion. Sales of medical devices and diagnostics jumped 12 percent to \$6.07 billion, and consumer sales rose 13 percent to \$4.04 billion. Pharmaceutical sales increased 3 percent to \$6.34 billion.

The higher consumer and medical device sales, including newly launched nonprescription allergy pill Zyrtec, helped offset declining sales from blockbuster anti-psychotic drug Risperdal, which got generic competition in June.

Johnson & Johnson raised its full-year profit forecast by a nickel, to between \$4.45 and \$4.50 per share, excluding one-time items.

For the first six months, net income totaled \$6.93 billion, or \$2.43 per share. That was up 23 percent from \$5.65 billion, or \$1.93 per share, in the first half of 2007. Revenues totaled \$32.64 billion in the first half of 2008, up 8 percent from \$30.17 billion a year earlier.

Johnson & Johnson shares rose 84 cents to \$67.25 in premarket trading.

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**Dow Jones****WSJ.COM/Earnings Preview: Pfizer Reports July 23  
July 14, 2008**

Lipitor continues to be the story for Pfizer, as the world's top-selling drug battles competition from other cholesterol fighters. In the first quarter, its sales fell 7%, contributing to a drop in company earnings that disappointed investors. Negative study results for rival cholesterol drug Vytorin had been expected to boost Lipitor sales in the quarter, and Pfizer executives think that may yet happen. One definite plus for the drug: Last month, Pfizer inked a deal with Ranbaxy Laboratories Ltd. (500359.BY) to keep a generic version off the market until late 2011. However, other Pfizer drugs, including blood-pressure medicine Norvasc and allergy treatment Zyrtec, now face generic competitors. Meanwhile, anti-smoking medicine Chantix, off to a hot start in 2006, has been slowed by safety concerns and a tougher product label.

**EARNINGS:** On average, analysts polled by Thomson Reuters expect 54 cents a share in what Pfizer calls "adjusted" earnings. That compares with 42 cents a share in last year's second quarter; net income in the period came to 18 cents a share.

**REVENUE:** Analysts expect \$11.46 billion, up from \$11.09 billion in the year-earlier quarter.

For continuously updated news from The Wall Street Journal, see WSJ.com at <http://wsj.com>. [ 07-14-08 1100ET ]

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**Dow Jones****EARNINGS PREVIEW: Europe Drug Cos' 2Q Focus On Outlook, Forex  
July 14, 2008**

**By Elena Berton**

**TAKING THE PULSE:** Most major European drugmakers are expected to maintain or slightly raise their guidance for 2008 when they report second-quarter earnings this month. Like in previous quarters, currency movements will play a major role, aiding companies that report in dollars, such as AstraZeneca PLC (AZN) and Novartis AG (NVS), or sterling, in the case of GlaxoSmithKline PLC (GSK). By contrast, drugmakers that report in euros, such as Sanofi-Aventis S.A. (SNY) and UCB S.A (UCB.BT), are expected to report book a negative currency impact on their earnings. News on product pipelines and fresh cost-cutting will be keenly watched.

UCB S.A. (UCB.BT)

**MARKET EXPECTATIONS:** Analysts expect sales and Ebit to have fallen in the first half compared with the same period last year, reflecting the patent expiration of allergy medication Zyrtec and the U.S. recall of Parkinson's disease patch Neupro because of manufacturing issues. The weakening dollar compared with the euro is also likely to hit earnings given that UCB's U.S. operations account for about 50% of sales. Thibaud Rutsaert, an analyst at Degroof said the impact from currency effects will be even greater on margins, which are typically much higher in the U.S.

**MAIN FOCUS:** The key issues will UCB's revised guidance for 2008 after the recall of Neupro and initial sales of Cimzia in the U.S., where the drug has been approved for the treatment of Crohn's disease.

-By Elena Berton, Dow Jones Newswires; 44 20 7842 9267; [elena.berton@dowjones.com](mailto:elena.berton@dowjones.com)

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-By Elena Berton, Dow J

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**American Chronicle Online  
About Those Pharmaceutical Ads  
July 4, 2008  
By Judy Ramsook**

I do not watch too much television shows, but when I am really ready to be entertained by a show or two on broadcast or commercial television, I really want to be entertained.

Not bombarded by pharmaceutical commercials. And some of those ads are rather long, boring and can be quite irrelevant to you if you or no one you know is afflicted with a related problem.

Education is good. It keeps most of us from being ignorant, but if you are watching something that takes your mind off, say the pressures of a hard day, and a commercial that informs you that one in three men will have prostate problems, what's the first thing you might do?

You might find yourself subconsciously or consciously thinking about three men you do know. And what about the Cialis commercial, you know the one with the out of control faucet.

Wasn't Erectile Dysfunction/Impotence a personal problem at one time? Now, and thanks to the frequency of this particular ad, we all know there are many men who have this problem. Then there are other medicine related ads, Nexium, Zyrtec, Allegra and do you pay attention to all those side effects?

It's enough to make one wonder why would anyone want to take something that has so many thought provoking side effects. They are now stuck in my head like a good song:

'May cause stuffy nose, rise in blood pressure... or don't take this product if you suffer from heart problems etc..'

And when I was a really naïve and sheltered teen I used to be embarrassed when the Stayfree or Tampon ad was being aired. Or the impression I got was that once you started your menstrual cycle, it was something that was supposed to be well hidden like a bad secret.

Be embarrassed no more. For thanks to all these medicine ads, we are all aware of what many people have: Erectile Dysfunction, Herpes, Heart problems, High Cholesterol...  
ones Newswires; 44 20 7842 9267; elena.berton@dowjones.com

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**Thomson Financial (picked up by AFX International Focus)  
Rite Aid same-store sales fell 0.4% in June  
July 3, 2008**



**By Ryan Vlastelica**

NEW YORK (Thomson Financial) - Rite Aid Corp. Thursday said June same-store sales fell 0.4% while total drugstore sales fell 2.5% to \$2.02 billion.

Comparable pharmacy sales fell 0.5% while front-end same-store sales were down 0.2%.

The company said its comparable sales were hurt by its Brooks Eckerd stores. Excluding Brooks Eckerd, same-store sales rose 2.6%. Brook Eckerd comparable sales fell 6.2% from the prior year.

Shares of Rite Aid (nyse: RAD - news - people ) closed Wednesday at \$1.36. The stock is down 79% over the past 52 weeks.

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**MarketWatch**

**Rite-Aid's same-store sales fell 0.4% from year earlier  
July 3, 2008**

(8:27 AM ET) NEW YORK (MarketWatch) -- Rite Aid Corp.(RAD, US)said Thursday that its June same-store sales, or sales at stores open at least a year, decreased 0.4% from a year ago. The Camp Hill, Pa., drugstore chain's pharmacy same-store sales decreased 0.5%, while front-end same-store sales fell 0.2%. Rite Aid's June total drugstore sales fell 2.5% to \$2.02 billion from \$2.07 billion, with prescription revenue accounting for 66.5% of drugstore sales. Rite-Aid attributed some of the lower numbers to a negative impact from recently acquired Brooks Eckerd stores and the switch of allergy medicine Zyrtec to over-the-counter status.

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**Associated Press**

**Rite Aid same-store sales fall in June  
July 3, 2008**

CAMP HILL, Pa. --Drugstore chain Rite Aid Corp. said Thursday its same-store sales in June fell 0.4 percent, hurt by results at Brooks Eckerd stores that the company bought last year.

Same-store sales, or sales at stores open at least a year, is a key indicator of retailer performance since it measures growth at existing stores rather than newly opened ones.

Rite Aid said pharmacy same-store sales fell 0.5 percent while front-end same-store sales fell 0.2 percent.

For the four weeks ended June 28, Rite Aid said same-store sales excluding the Brooks Eckerd stores rose 2.6 percent, with pharmacy same-store sales up 2.5 percent and front-end same-store sales rising 2.9 percent.

Rite Aid acquired the Brooks Eckerd chain on June 4, 2007.

That chain alone saw same-store sale fall 6.2 percent in June with both pharmacy and front-end same-store sales declining.

Total drugstore sales for the period fell 2.5 percent to \$2.02 billion compared to \$2.08 billion in the same period last year.

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**Reuters**

**Rite Aid June same-store sales down 0.4 pct  
July 3, 2008**

July 3 (Reuters) - Rite Aid Corp , the No. 3 U.S. drugstore chain, said June sales at stores open at least one year fell 0.4 percent, hurt by lower sales at its Brooks and Eckerd drugstores.

Pharmacy same-store sales dropped 0.5 percent, hurt by generic drug introductions and the switch of allergy medicine Zyrtec to over-the-counter status, while front-end same store sales fell 0.2 percent.

Two analysts, on average, expected a 0.5 percent drop in June same-store sales, with a 0.5 percent fall in front-end sales and a 0.7 decrease in pharmacy sales, according to Thomson Reuters Estimates.

June same-store sales include the acquisition of the Brooks and Eckerd stores, which Rite Aid bought in 2007 to compete better with larger rivals Walgreen Co and CVS Caremark .

Walgreen reported a 3.4 percent rise in June same-store sales on Wednesday. It also said pharmacy same-store sales were hurt by the introduction of generic drugs and the shift of Zyrtec to over-the-counter status. Rite Aid said excluding the Brooks and Eckerd stores, June same-store sales rose 2.6 percent over the prior-year period, with pharmacy same-store sales rising 2.5 percent and front-end same-store sales growing 2.9 percent.

Prescription revenue accounted for 66.5 percent of total sales for June. Total sales fell 2.5 percent to \$2.02 billion, the company said.

Shares of the Camp Hill, Pennsylvania-based company were up about 1.5 percent at \$1.38 in early morning trade on the New York Stock Exchange. (Reporting by Anne Pallivathuckal in Bangalore; Editing by Bernard Orr)

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**Associated Press  
First floods, now pesky mosquitoes for Midwest  
July 2, 2008  
By Lindsey Tanner**

CHICAGO (AP) - First came the floods -- now the mosquitoes. An explosion of pesky insects are pestering clean-up crews and just about anyone venturing outside in the waterlogged Midwest.

In some parts of Iowa there are 20 times the normal number, and in Chicago up to five times more than usual.

The good news is these are mostly floodwater mosquitoes, not the kind that usually carry West Nile virus and other diseases. But they are very hungry, and sometimes attack in swarms with a stinging bite.

Heavy rain followed by high temperatures creates ideal conditions for these bugs, whose eggs hatch in the soil after heavy rains. Scientists call them nuisance mosquitoes. You could call that an understatement.

"About 3 p.m. the bugs come out pretty bad. They're all over the place," Bill Driscoll, a flood cleanup worker in Palo, Iowa, said this week. "We've been burning through the repellent with the volunteers."

In Lisbon, Iowa, about 20 miles east of flood-ravaged Cedar Rapids, biker Larry Crystal said mosquitoes have made his rides miserable.

"Every time I stop to rest at a rest area these buggers just find a way to bite me all over my neck area between my helmet and jacket," he wrote on a bikers' blog.

"They seem to be very aggressive, they're even coming into my helmet, finding any bits of skin," Crystal told The Associated Press. "They're just going at it."

Some mosquito surveillance traps in Iowa have up to 20 times more mosquitoes than in recent years, said Lyric Bartholomay, an Iowa State University insect expert.

For example, last week, 3,674 mosquitoes were counted in Ames-area traps, compared with 182 for the same week last year, Bartholomay said Wednesday. Trap quantities are just a tiny snapshot of the true numbers of mosquitoes flying around.

In Iowa, the main culprit is the *Aedes trivittatus*, a common nuisance mosquito with "a voracious appetite and they hurt when they feed on you," she said.

A relative called *Aedes vexans* is doing much of the biting in Chicago's suburbs, hit by recent heavy rains, said Mike Szyska of the Northwest Mosquito Abatement District.

Mosquito numbers in northwestern suburbs peaked last week at about five times higher than normal for this time of year, Szyska said.

Complaints and requests for insecticide spraying have the district "working day and night. We're extremely busy," he said.

Right now there's no evidence of higher than normal numbers of *Culex* mosquitoes, more commonly associated with West Nile virus. Several states have found evidence of West Nile, but only a few cases, which tend to start occurring later in July.

But health authorities say that could change with drier weather, which *Culex* mosquitoes prefer, so they're advising people to take precautions.

*Culex* mosquitoes breed in stagnant water and sludge in protected areas like ditches, storm drains or backyard bird baths and discarded tires, Szyska said.

"One thing that we're warning people with the flooded homes, as they're gutting them and getting rid of debris, make sure you dispose of that kind of stuff correctly," said Howard Pue of Missouri's Department of Public Health.

In the meantime, the explosion of floodwater mosquitoes has left many people feeling like mosquito magnets. And about 10 percent of the population actually qualifies, according to entomologist Jerry Butler, a professor emeritus at the University of Florida.

These are the people who get covered in bites while their porch partners or biking buddies are left unscathed. Many of them get exaggerated skin reactions to the bugs -- hard red welts or hives that can itch for days.

Children are more susceptible to these reactions, which can cause a lot of discomfort but generally are not dangerous, said Dr. Anju Peters, an allergy specialist at Chicago's Northwestern Memorial Hospital. Her 7-year-old daughter got several bites and broke out in hives last week inside the family's Chicago home when an outside door was left open for just a few minutes, Peters said.

Some people have allergies to mosquitoes, developing limited but severe skin reactions that researchers call "skeeter syndrome." Some can develop potentially dangerous, widespread reactions including wheezing, and, rarely, life-threatening throat-swelling and breathing problems.

Research is under way to develop skin tests and treatment for these allergies using mosquito saliva. Because tests are not widely available, allergic reactions to mosquitoes are underdiagnosed and undertreated, according to the University of Manitoba's Dr. Estelle Simons, a leading mosquito allergy expert.

Whether true allergies or normal reactions to mosquito saliva, the bumps and itching can sometimes be eased, though not prevented. Using over-the-counter antihistamines such as Zyrtec and Claritin throughout mosquito season or after a bite can help, doctors say.

Sweat and carbon dioxide given off by the skin and from breathing are among the best known mosquito magnets, said Butler, who has long studied which odors and substances attract mosquitoes.

Mosquitoes often target larger people, who tend to give off more carbon dioxide, he said. And alcohol is another lure, "so people who have been drinking are going to be more attractive" to the bugs, he said.

Alcohol in lotions and perfumes also attracts mosquitoes, as do some cosmetic fragrances including lavender, Butler said. Also, he said, there's evidence that people with very high cholesterol levels often are mosquito magnets. Butler said mosquitoes need fats like cholesterol but can't make them so get them by feeding on others.

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**Reuters****Walgreen June same-store sales rise****July 2, 2008****By Brad Dorfman**

CHICAGO (Reuters) - Walgreen Co (WAG.N: Quote, Profile, Research), one of the largest U.S. drugstore operators, said on Wednesday that June sales at stores open at least one year rose 3.4 percent, below some analysts' expectations, and its stock fell to its lowest level in almost five years.

Pharmacy same-store sales rose 3.3 percent in June, while same-store sales for general merchandise, known as front-end sales, rose 3.5 percent. The shift of allergy medicine Zyrtec to over-the-counter status helped front-end sales and cut into the number of prescriptions sold.

Walgreen's report led to concern that the weak economy continues to hurt sales of general merchandise at drugstores. Drugstores also face expanded competition from grocery stores and from Wal-Mart Stores Inc (WMT.N: Quote, Profile, Research), which have been offering discounts on a number of prescription drugs.

"Comps have now been hovering at the 3.5 percent level for the past seven months," Goldman Sachs analyst John Heinbockel said in a research note. "This is reasonable given the challenging macroeconomic environment and sluggish results being generated by most retailers, but is disappointing for a company with 8 percent to 9 percent square footage growth and a reliance on the rapid growth trajectory pharmacy business."

Heinbockel had forecast a 4.7 percent increase in same-store sales.

Generic drug introductions in the past 12 months cut pharmacy same-store sales by 2.1 percentage points, the company said. Generic drugs cost less, lowering sales figures, but are more profitable for drugstores.

Total prescriptions filled at comparable stores rose 0.8 percent in the month.

Pharmacy sales accounted for 65.4 percent of total sales in the month. Total sales in June rose 9.9 percent to \$4.81 billion, Walgreen said.

Walgreen shares were down 65 cents or 2 percent at \$31.78 on Wednesday afternoon on the New York Stock Exchange after trading as low as \$31.67. Shares of rival CVS Caremark Corp(CVS.N: Quote, Profile, Research) were down 59 cents at \$38.61.

(Additional by Aarthi Sivaraman, editing by Maureen Bavdek and Gerald E. McCormick)

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#### **Associated Press**

#### **Walgreen same-store sales rise 3.4 percent in June, total sales up 9.9 percent July 2, 2008**

NEW YORK (Associated Press) - Drug store operator Walgreen Co. said Wednesday June same-store sales rose 3.4 percent, helped by increases in both pharmacy and front-end sales.

Pharmacy same-store sales rose 3.3 percent, but were negatively impacted by 2.1 percentage points due to cheap generic drug introductions over the past 12 months.

Same-store sales, or sales in stores open at least one year, is a key metric of a retailer's performance because it measures growth at existing stores rather than newly opened ones.

Front-end, or non-pharmacy, same-store sales increased 3.5 percent in June, helped in part by strong sales of promotional products, consumables and gift cards, as well as by sales of newly over-the-counter allergy medication Zyrtec.

Total sales rose 9.9 percent in June to \$4.81 billion. Pharmacy sales accounted for 65.4 percent of total sales.

Fiscal year-to-date, same-store sales are up 4.4 percent, while total sales for the 10-month period are up 10.1 percent to \$49.25 billion.

As of June 30, Walgreens operated 6,772 locations in 49 states, the District of Columbia and Puerto Rico.

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#### **Courier-Post (NJ)**

#### **Over-the-counter medicine can take care of allergies July 1, 2008**

Dr. Paul J. Berlin, M.D. of Kennedy Memorial Hospitals-University Medical Center discusses treating allergies.

It's that time of year again -- the time of year allergy sufferers dread. With all of nature seemingly in bloom, allergies kick in, making time out-of-doors especially challenging.

A visit to your local drug store to pick up an over-the-counter (OTC) allergy medication can prove equally challenging with so many products to choose from, including a few that, in years past, could only be obtained through a prescription.

When you come into contact with an allergen -- be it pollen or dust or mold -- your immune system kicks into gear. If you are allergic to substances that you breathe in, the membranes in your nose might become irritated, swollen and inflamed. This, as allergy sufferers know all too well, leads to sneezing, a runny nose, headache and/or congestion (pressure) in your nose and head. Your eyes also might water and itch. If you are allergic to something that comes into contact with your skin, you might break out in hives or a rash.

Taking the right medicine for your symptoms is important.

There are many medicines available over-the-counter to treat mild allergy symptoms. The most common medicines are antihistamines and decongestants.

**Antihistamines:** When you inhale an allergen, special cells in your nose and sinuses release a chemical called histamine that causes the tissues in your nose to itch and swell, and to alter the mucus it secretes -- making it clear and runny. Antihistamines block histamine from interacting with the nasal tissues, thus preventing symptoms.

**Decongestants:** When exposed to an allergen, the tissues in your nose swell, and increase their production of fluid and mucus, resulting in a feeling of fullness or pressure in your nose and head. In addition to this congestion, you may have difficulty breathing through your nose. Decongestants help reduce the swelling, which relieves the feeling of pressure and improves airflow through your nose.

One of the most important things to determine before you purchase any medication is whether you are dealing with allergies or a cold. In both situations, you may experience a runny nose and sneeze, but with a cold, symptoms usually develop over a few days, as opposed to an allergic reaction, which can occur quite quickly. If you have a fever or chills, that's a clear sign of a cold or sinus infection.

There are many allergy medications on the market that have been around for years and are still considered highly effective. Some, however, like Benadryl, can be sedating, which can be problematic if you need to take it during the day. In 1985, the first non-sedating antihistamine was introduced. Two of the most popular were Claritin, introduced in 1993, and Zyrtec, which physicians began prescribing in 1996. Both were originally available only with a doctor's prescription, but can now be purchased over-the-counter in regular antihistamine formulas and with a decongestant.

But if you're not sure what exactly you're allergic to or feel that your allergies are not responding well to over-the-counter medications, consider seeing an allergist, who can do skin testing and recommend a personalized treatment plan.

I should note that many people who have allergies also suffer from asthma. Ongoing symptoms such as chronic cough, a cough after one exercises or limitation of exercise tolerance are early hallmarks of asthma. See your physician if you are suffering from any of these "benchmark" asthma symptoms.

Proper treatment is key to a healthier future.

Dr. Paul Berlin is a board-certified allergist on the medical staff of Kennedy Memorial Hospitals-University Medical Center. He has medical practices in Turnersville and Elmer.

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***Washington Drug Letter***  
**Generic Zyrtec Syrup ANDA Gets FDA Approval**  
**June 30, 2008**

Taro Pharmaceutical Industries has received final FDA approval to manufacture and market a generic version of McNeil Consumer Healthcare's prescription Zyrtec syrup 1 mg/mL to treat symptoms of seasonal allergic rhinitis.

The Israeli drugmaker received tentative approval for its generic Zyrtec (cetirizine HCl) ANDA last October and plans to market the product through its U.S. affiliate.

Cetirizine syrup is a prescription medication used to relieve symptoms associated with perennial allergic rhinitis in children age 6-23 months and for hives in children age 6 months to 5 years.

Several firms received FDA approval late last year for generic versions of Zyrtec tablets approved for OTC use. Pfizer stopped marketing Zyrtec in January after selling the rights to the nonprescription version of the drug in 2006 to Johnson & Johnson, which owns McNeil.

Perrigo recently received final approval to market its generic Zyrtec syrup, and nine other drugmakers have final approval to market generic Zyrtec (cetirizine HCl) 5- and 10-mg tablets for treating allergies and hives, according to the FDA Orange Book (WDL, Jan. 7). -- Elizabeth Jones

Release date: June 30, 2008

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#### **Seattle Post Intelligencer Online**

#### **Ask The Mayo Clinic: Over-the-counter allergy medicine makes urinating more difficult June 29, 2008**

Dear Mayo Clinic: My wife bought an allergy medicine for me last spring when my allergies flared up. It worked well in reducing nasal symptoms, but it seemed to make urinating even more difficult for me than it usually is. Is there some other medication I can try?

A: Yes, there is. But first, if you have difficulty urinating -- such as hesitancy, slow stream or incomplete emptying -- at times other than when you're taking the medication, talk with your doctor. This could be an indication of another problem, such as an enlarged prostate.

Apart from that, many nonprescription allergy medications -- including those containing diphenhydramine (Benadryl, others), chlorpheniramine maleate (Actifed, Chlor-Trimeton, others) and dexbrompheniramine maleate (Drixoral, others) -- are within a class of medications that are often referred to as first-generation antihistamines.

The most well-known side effect of these drugs is drowsiness. However, additional side effects include drying of the eyes and mouth, and difficulty urinating. These side effects are often more pronounced in older adults, especially in men and in those who already have difficulty urinating.

You should be able to lessen most of those side effects by taking an allergy medication that belongs to the so-called "second generation" class of antihistamines. These include loratadine (Claritin, others) and cetirizine (Zyrtec) -- both of which are available as nonprescription drugs -- and fexofenadine (Allegra).

In addition, you may want to talk with your doctor about strategies for avoiding allergy triggers and about additional therapies. These may include steroid nasal sprays, which are considered quite safe and are often more effective than using antihistamine drugs for relieving allergy-related nasal inflammation and irritation.

-- James Li, M.D., Ph.D., Allergic Diseases, Mayo Clinic, Rochester, Minn.

Medical Edge from Mayo Clinic is an educational resource and doesn't replace regular medical care. To submit a question, write to: [medicaledge@mayo.edu](mailto:medicaledge@mayo.edu), or Medical Edge from Mayo Clinic, c/o TMS, 2225 Kenmore Ave., Suite 114, Buffalo, NY 14207. For health information, visit [mayoclinic.com](http://mayoclinic.com).

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#### **Reuters News**

#### **UCB to launch epilepsy drug in autumn, shares up**

**June 27, 2008**

**By Julien Ponthus**

BRUSSELS, June 27 (Reuters) - Shares in UCB SA jumped on Friday as the Belgian pharmaceutical group said it aimed to launch its new epilepsy drug Vimpat in the autumn, after winning a green light from the European Medicines Agency.

A UCB spokeswoman told Reuters a previous estimate of Vimpat peak sales of 300 million euros (\$472.2 million) was too conservative and revenue from the drug was likely to be higher. UCB shares rose 3.7 percent to 24.58 euros by 0950 GMT, having hit 24.98, outperforming a weaker European drugs sector <.SXDPA>, which fell 0.4 percent.

Degroof analyst Thibaud Rutsaert said that out of 6 million people worldwide suffering from epilepsy, 35 percent were not treated in a satisfactory way and needed new treatments.

"Vimpat will meet a portion of this need thanks to its dual mode of action," he said.

Vimpat is also under review by the U.S. Food and Drug Administration and the European agency's positive recommendation, announced late on Thursday, is seen as an encouraging sign, analysts said.

"In gaining positive opinion in Europe, Vimpat dispelled safety concerns and it now seems more likely that approval will follow in the U.S.," Deutsche Bank said in a research note.

The European recommendation approval marks another positive result for the Belgian drugmaker, which needs to get new drugs to market to make up for products going off patent.

The Vimpat green light follows an earlier-than-expected European clearance for its restless legs syndrome drug Neupro and U.S. approval of Crohn's disease drug Cimzia, both in April.

UCB is moving from reliance on older drugs such as hayfever medicine Zyrtec, which is already off patent, and its earlier epilepsy drug Keppra, which loses patent protection soon.

The transition may not be easy. Analysts at Morgan Stanley said first-half financial results were likely to show the company suffering challenging conditions in the United States, given a recall of Neupro patches due to technical problems and slow U.S. launches of Cimzia and new allergy drug Xyzal.

They are also less optimistic about future sales of Vimpat, which they said did not appear to be significantly differentiated from other anti-epileptics. Morgan Stanley predicts sales of 100 million euros by 2013. (Additional reporting by Ben Hirschler; Editing by Louise Ireland)

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#### ***FDAnews Drug Daily Bulletin***

#### **Perrigo Gets Final Nod for Generic Zyrtec Syrup**

**June 27, 2008**



Perrigo has received final FDA approval to manufacture and market a generic version of McNeil Consumer Healthcare's prescription Zyrtec syrup 1 mg/mL to treat symptoms of seasonal allergic rhinitis.

The product will join the company's line of cetirizine tablets, cetirizine D and cetirizine OTC syrup, Joseph Papa, Perrigo's chairman and CEO, said. Teva also sells a generic version of Zyrtec (cetirizine HCl) syrup.

Perrigo was one of several firms to receive FDA approval late last year for generic versions of Zyrtec tablets approved for OTC use. Pfizer stopped marketing Zyrtec in January after selling the rights to the nonprescription version of the drug in 2006 to Johnson & Johnson, which includes McNeil in its family of companies.

Actavis, Apotex, Caraco Pharmaceutical Laboratories, Mylan, Par Pharmaceutical, Perrigo, Ranbaxy Laboratories, Sandoz and Wockhardt have received final approval to market the generic 5- and 10-mg tablets for treating allergies and hives, according to the FDA Orange Book.

Zyrtec and Zyrtec D had sales of roughly \$1.5 billion last year, down 2 percent from the previous year, according to Pfizer.

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***Contemporary Pediatrics*****FDA approves generic Zyrtec syrup****Jun 26, 2008****By John Merriman**

The Food and Drug Administration (FDA) has given final approval for the generic version of cetirizine hydrochloride syrup (Zyrtec), according to Taro Pharmaceutical Industries.

Taro's cetirizine hydrochloride syrup is a bioequivalent to McNeil Consumer Healthcare's Zyrtec Syrup 1 mg/mL, and is used for symptom relief associated with perennial allergic rhinitis in children 6 to 23 months old and for chronic urticaria in children 6 months to 5 years old. Taro had received tentative FDA approval for Zyrtec in October 20

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***The Wall Street Journal*****Earnings Digest -- Drugstores: Walgreen Net Rises 2% --- Gains Are Attributed To Tight Cost Control, Higher Generics Sales****June 24, 2008****By Andria Cheng and Donna Kardos**

Drugstore chain Walgreen Co. said its fiscal-third-quarter profit rose 2%, helped by higher sales of generic prescription drugs and tight cost control.

Chief Executive Jeffrey A. Rein called the latest quarter's results "solid," adding, "At a time when Americans are searching for value and convenience, we're one of the retailers they're turning to."

The largest U.S. drugstore chain by sales said same-store sales rose 3.4% in the quarter ended May 31, climbing 4.6% at the front end of the store and rising 2.7% for prescriptions. The switch of allergy medicine Zyrtec to over-the-counter status hurt prescription sales and a milder flu season also cut into sales.

Shares of the Deerfield, Ill., company were down 37 cents, or 1.1%, to \$34.70 in 4 p.m. New York Stock Exchange composite trading.

In April, Walgreen rolled out its own line of clothing, moving into higher-margin private-label apparel. The move was one of a number of changes the company is making amid pressure from rivals Wal-Mart Stores Inc. and CVS Caremark Corp., a weak economy, and cracks in the health system.

Other moves include the opening of more pharmacies at work sites to attract employees, their family members and retirees to its stores, and an expansion into specialty pharmacy, where drug sales are growing much faster than the overall prescription market.

In addition, Walgreen has been touting its "prescription savings club," where the copayment for a three-month supply of more than 300 generic drugs is \$12.99. Joining the club costs \$20 a year for an individual and \$35 a year for a family.

Selling, general and administrative expenses as a percentage of sales were about flat in the quarter, as Walgreen cut advertising spending and slowed the pace of salary and cost increases in stores.

Walgreen said it is now on track to exceed its goal of opening 550 new drugstores this year, with a net increase of more than 500. It is also on pace to meet its goal of operating more than 7,000 drugstores by 2010.

The retailer also said it created a Walgreen health-and-wellness division during the quarter to allow large employers and health plans to provide care to employees and plan members where they work, and to dependents, retirees and the general public through a network of 172 Take Care health clinics.

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**Chicago Tribune**

**For Walgreens, a healthy 3rd quarter; Stingy spending, brisk growth boost profit 2%  
June 24, 2008**

Photo: Frankie Williams (left) and Amber Haley shop at a downtown Chicago Walgreens. The nation's largest drugstore chain has grown through acquisitions, health-center operations and mail-service pharmacies. AP photo by Russel A. Daniels

Walgreen Co., the largest U.S. drugstore chain, said Monday that its fiscal third-quarter profit rose 2 percent as it focused on cost control and maintained a rapid expansion in a difficult retail environment.

Despite the modest gain, the results fell slightly short of Wall Street's expectations, and Walgreens' shares slipped after initially climbing nearly 3 percent.

Overall, however, analysts said the Deerfield-based company's cost discipline and continued advances show it has turned a corner after recent sluggishness.

"Though Walgreens faces near-term headwinds such as a tougher consumer environment and an industrywide slowdown in the number of prescriptions dispensed, we believe efforts to trim expense growth and build market share will enable it to regain its form as a double-digit earnings grower" soon, Morningstar analyst Mitchell Corwin said in a research note.

Shares fell 37 cents, to \$34.70.

Earnings for the three months ended May 31 were \$572.3 million, or 58 cents per share, up from \$561.2 million, or 56 cents per share, a year earlier. That was a penny shy of the estimate of analysts surveyed by Thomson Financial.

Revenue rose 10 percent, to \$15 billion from \$13.7 billion. Sales in stores open at least one year, a key retail metric known as same-store sales, rose 3.4 percent.

Walgreens said it reduced the rate of store salary and expense growth and advertising expenses.

"We continue to successfully execute our strategies for growth while effectively managing costs," Chairman and Chief Executive Jeffrey Rein said. "We had a tough comparison to a net earnings increase of nearly 20 percent in last year's third quarter, which was aided by blockbuster generic-drug introductions."

Prescription sales rose 8.9 percent, accounting for nearly two-thirds of sales in the quarter. Same-store prescription sales climbed 2.7 percent, off a 9 percent gain a year earlier.

Rein said prescriptions are under pressure from a number of factors, including the move to over-the-counter status for the antihistamine Zyrtec, safety concerns over newer medicine and the economy.

"Despite these near-term challenges, nothing will slow the impact of nearly 80 million Baby Boomers moving into their peak prescription-use years," he said on a conference call.

Walgreens is jockeying with CVS Caremark Corp. for the top spot among drugstore chains.

"Overall, the important thing was they really controlled expenses, and that's been one of the bigger issues that investors have had with this company over the past year," said analyst Stephanie Hoff of Edward Jones.

The company opened 138 drugstores in the quarter, for a total of 6,252 in 49 states, the District of Columbia and Puerto Rico -- 554 more than a year earlier. Like its competitors, Walgreen has expanded the number of walk-in health centers it runs. It has 6,727 in all, including at work sites, home-care facilities and specialty, institutional and mail-service pharmacies.

This year, Walgreen acquired of I-trax Inc. and Whole Health Management for more than \$260 million to triple its clinics.

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#### ***Pharma Marketletter***

**Taro gains final FDA appro for cetirizine**

**June 24, 2008**

Israel-headquartered Taro Pharmaceutical Industries, which recently pulled out of a merger deal with India's Sun Pharmaceuticals (Marketletter June 9), says that it has received final approval from the US Food and Drug Administration for its Abbreviated New Drug Application for prescription cetirizine HCl syrup, 1mg/1mL. Taro had received tentative approval for this ANDA in October 2007.

Taro's cetirizine syrup is bioequivalent to McNeil Consumer Healthcare's Zyrtec Syrup, a prescription medicine used for the relief of symptoms associated with perennial allergic rhinitis in children six to 23 months of age, and for chronic urticaria (hives) in those of six months to five years. According to industry sources, annual US sales of cetirizine syrup products were approximately \$150.0 million.

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**Taro Pharmaceutical Industries Ltd. Press Release (picked up by FOXBusiness.com, Pharmalive.com, StreetInsider.com, Genetic Engineering News Online , Centre Daily Times Online)**

**Taro Receives Final FDA Approval for RX Cetirizine Hydrochloride Syrup ANDA ; Generic Equivalent to Zyrtec® Syrup**

**June 23, 2008**

HAWTHORNE, N.Y. - (BUSINESS WIRE) - Taro Pharmaceutical Industries Ltd. (Pink Sheets: TAROF, "Taro", the "Company") reported today that it has received final approval from the U.S. Food and Drug Administration ("FDA") for its Abbreviated New Drug Application ("ANDA") for prescription Cetirizine Hydrochloride Syrup, 1 mg / 1 mL ("cetirizine syrup"). Taro had received tentative approval for this ANDA in October 2007. The Company plans to market the product through its U.S. affiliate, Taro Pharmaceuticals U.S.A., Inc.

Taro's cetirizine syrup is bioequivalent to McNeil Consumer Healthcare's Zyrtec® Syrup. Cetirizine syrup is a prescription medication used for the relief of symptoms associated with perennial allergic rhinitis in children 6 to 23 months of age, and for chronic urticaria (hives) in children 6 months to 5 years of age. According to industry sources, annual U.S. sales of cetirizine syrup products were approximately \$150 million.

Taro is a multinational, science-based pharmaceutical company, dedicated to meeting the needs of its customers through the discovery, development, manufacturing and marketing of the highest quality healthcare products.

For further information on Taro Pharmaceutical Industries Ltd., please visit the Company's website at [www.taro.com](http://www.taro.com).

Certain statements in this release are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding Taro's cetirizine syrup products. These statements include, but are not limited to, statements that do not describe historical facts and statements that refer or relate to events or circumstances the Company "plans" to happen, or similar language. Although Taro believes the expectations reflected in such forward-looking statements to be based on reasonable assumptions, it can give no assurance that its expectations will be attained. Factors that could cause actual results to differ include industry and market conditions; slower than anticipated penetration of new markets; physician, pharmacist or patient acceptance of Taro's cetirizine syrup products and other products; changes in Taro's financial position; regulatory actions; and, other risks detailed from time to time in Taro's SEC reports, including its Annual Reports on Form 20-F. Forward-looking statements speak only as of the date on which they are made. Taro undertakes no obligation to update, change or revise any forward-looking statements, whether as a result of new information, additional or subsequent developments or otherwise.

Kekst and Company Roanne Kulakoff, 212-521-4837

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#### ***Drug Store News***

#### **Zyrtec sneezes up \$100M in first six months on shelf (2008 Hot Products)**

**June 23, 2008**

Zyrtec may soon challenge Claritin for the top spot as king of the allergy hill, as OTC powerhouse McNeil Consumer Healthcare wields its marketing might behind its switch of Zyrtec, the second of three second-generation antihistamines to make the migration from prescription pads to self-care shelves.

It's the biggest switch to hit allergy shelves since Schering-Plough brought Claritin over the counter in 2002, and it's expected to drive quite a bit of allergy-related visits to the drug store this year. McNeil Consumer Healthcare began shipments of Zyrtec in late January, where, like Claritin, it was joined on shelf with store brand equivalents courtesy of Perrigo and a host of other generics manufacturers.

With the launch, McNeil will be battling Claritin and its own Benadryl for a share of the allergy sufferer category-two brands that occupy the three leading spots in sales of cough/cold/allergy/sinus products across food, drug and mass (minus Wal-Mart), for the 52 weeks ended May 18, a \$2.4 billion category according to Information Resources Inc.

And earlier this year, NielsenHealth released findings that 62 percent of Zyrtec OTC buyers had been on a prescription allergy medicine in the past year, although more than half of those consumers said they were very satisfied with that product. But when Zyrtec hit store shelves, they said they had to try it.

"This is ... a signal that OTC alternatives to allergy prescriptions may become the preference," noted Matt Dumas, managing director of NielsenHealth.

Consumers visiting the Zyrtec Web site ([www.zyrtec.com](http://www.zyrtec.com)) are being invited to join Zyrtopia-an online community for allergy sufferers that can help them track daily allergy forecasts (coming soon, according to the site) and compare them against their allergy symptoms, as well as alert those consumers to any Zyrtec promotions.

As for prescription competition to McNeil's Zyrtec, Pfizer announced in January it would no longer sell a prescription version of the brand, which generated \$1.5 billion in sales through 2007.

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**Reuters****Walgreen quarterly profit rises****June 23, 2008**

CHICAGO, June 23 (Reuters) - Walgreen Co on Monday posted a 2 percent increase in quarterly profit, helped by efforts to control costs as the pace of prescription drug sales has slowed.

The company, one of the largest U.S. drugstore chain operators, said earnings rose to \$572 million, or 58 cents a share, in the third quarter ended May 31 from \$561 million, or 56 cents a share, a year earlier.

Analysts on average had forecast 59 cents a share, according to Reuters Estimates.

Walgreen has seen the pace of prescription drug sales slow as the allergy medicine Zyrtec became available without a prescription. (Reporting by Brad Dorfman; Editing by Lisa Von Ahn)

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**Dow Jones****Walgreen's 3Q Net Rises 2% Amid Sales Growth****June 23, 2008**

Walgreen Co. (WAG) reported a 2% rise in fiscal third-quarter net income amid strong sales growth as the company increased promotional activities to bring in customers and its pharmacy margins benefitted from higher generic-drugs sales.

Chief Executive Jeffrey A. Rein called the latest quarter's results "solid," adding, "At a time when Americans are searching for value and convenience, we're one of the retailers they're turning to."

For the quarter ended May 31, the nation's largest drugstore chain by sales posted net income of \$572.3 million, or 58 cents a share, up from \$561.2 million, or 56 cents a share, a year earlier. The latest results include an accounting-related provision of \$16.1 million, while the prior year had \$17 million in gains.

Net revenue climbed 9.6% to \$15 billion.

The mean estimates of analysts polled by Thomson Reuters were for earnings of 59 cents a share on \$15.11 billion in revenue.

Gross profit margin slid to 28.2% from 28.3% as lower general-merchandise margins on increased promotions were offset in part by higher pharmacy margins due to generic-drugs sales growth.

Same-store sales rose 3.4%, climbing 4.6% at the front end of the store and rising 2.7% for prescriptions.

Total prescription sales - which accounted for 66% of the quarter's revenue - jumped 8.9% and the number of prescriptions filled in comparable stores increased 1.1%. That compares with a 0.9% decrease in U.S. retail prescription volume excluding Walgreens, according to data from IMS Health, as prescription volume in the quarter was hurt in part by the switch of Zyrtec to over-the-counter status and by a milder flu season.

In April, Walgreen rolled out its own line of clothing, becoming the first pharmacy to move into higher-margin private-label apparel. The move was just one of a number of changes the company is making amid pressure from rivals Wal-Mart Stores Inc. (WMT) and CVS Caremark Corp. (CVS), a weak economy, and cracks in the health system.

Other moves include opening more pharmacies at work sites to attract employees, their family members and retirees to its stores, and an expansion into specialty pharmacy, where drug sales are growing much faster than the overall prescription market.

In addition, Walgreen has been touting its "prescription savings club" where the copayment for a three-month supply of more than 300 generic drugs is \$12.99. Joining the club costs \$20 a year for an individual and \$35 a year for a family.

Shares of Walgreen slid 0.9% to \$34.75 in pre-market trading.

-By Donna Kardos, Dow Jones Newswires; 201-938-5963; donna.kardos@dowjones.com [ 06-23-08 0829ET ]

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**Associated Press****Walgreen 3Q profit rises on cost controls****June 23, 2008****By Dave Carpenter**

CHICAGO (AP) - Drugstore chain Walgreen Co. said Monday its fiscal third-quarter profit rose 2 percent as it focused on cost control and maintained a rapid expansion pace in a difficult retail environment.

Despite the modest gain, the results fell slightly short of Wall Street's expectations and Walgreen shares slipped back after initially climbing nearly 3 percent.

Overall, however, analysts said the Deerfield, Ill.-based company's cost discipline and continued advances in a weak economy shows it has turned a corner after recent sluggishness.

"Though Walgreen faces near-term headwinds such as a tougher consumer environment and an industrywide slowdown in the number of prescriptions dispensed, we believe efforts to trim expense growth and build market share will enable it to regain its form as a double-digit earnings grower in the near future," Morningstar analyst Mitchell Corwin said in a research note.

Shares fell 37 cents to \$34.70 Monday.

Earnings for the three months ended May 31 were \$572.3 million, or 58 cents per share, up from \$561.2 million, or 56 cents per share, a year earlier. That was a penny shy of the consensus estimate of analysts surveyed by Thomson Financial.

Revenue rose 10 percent to \$15 billion from \$13.7 billion.

Sales in stores open at least one year, a key retail metric known as same-store sales, rose 3.4 percent.

Walgreen said it lowered the rate of store salary and expense growth as well as advertising expenses. "We continue to successfully execute our strategies for growth while effectively managing costs," Chairman and CEO Jeffrey Rein said. "We had a tough comparison to a net earnings increase of nearly 20 percent in last year's third quarter, which was aided by blockbuster generic drug introductions."

Prescription sales rose 8.9 percent and accounted for nearly two-thirds of sales in the quarter. Same-store prescription sales, or those from stores open at least 13 months, climbed 2.7 percent and Walgreen said the number of prescriptions filled edged up 1.1 percent compared with a 0.9 percent decrease for the rest of the industry.

Rein said prescriptions are under pressure from a number of factors, including the switch of Zyrtec from prescription to over-the-counter status, fewer new drug introductions, safety concerns over newer medicine and the weaker economy.

"Despite these near-term challenges, nothing will slow the impact of nearly 80 million baby boomers moving into their peak prescription use years," he said on a conference call.

Walgreen is jockeying with CVS Caremark Corp. for top spot among drugstore chains.

"Overall the important thing was they really controlled expenses, and that's been one of the bigger issues that investors have had with this company over the past year," said Stephanie Hoff of Edward Jones.

The results are "a signal that this company's getting back on track after a couple of weaker quarters," the analyst said.

The company opened 138 drugstores in the quarter for a total of 6,252 drugstores as of May 31 in 49 states, the District of Columbia and Puerto Rico -- 554 more than a year ago. It has 6,727 locations in all, including worksite health centers, home care facilities and specialty, institutional and mail service pharmacies.

For the first nine months of its fiscal year, earnings were \$1.71 billion, or \$1.72 per share, up from \$1.64 billion, or \$1.63 per share, a year earlier. Revenue jumped 10 percent to \$44.4 billion from \$40.3 billion.

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**Bloomberg**  
**Walgreen Profit Rises; Sales at Existing Stores Climb**  
**June 23, 2008**  
**By Lauren Coleman-Lochner**

June 23 (Bloomberg) -- Walgreen Co., the largest U.S. drugstore chain, said profit rose 2 percent, helped by sales of allergy medicine and food as it limited cost increases.

Third-quarter net income climbed to \$572.3 million, or 58 cents a share, and revenue advanced 9.6 percent, the Deerfield, Illinois-based company said today. Sales of merchandise at stores open at least a year gained 4.6 percent in the three months ended May 31, helping send the shares up as much as 2.8 percent.

Shoppers limited car trips to grocers after gasoline prices topped \$4 a gallon, buying milk and other items at drugstores while picking up their medicines. Allergy drug Zyrtec, which no longer requires a prescription, buoyed sales. Walgreen said it cut advertising costs and tamed growth in salary expenses.

Walgreen is "positioning themselves here to come out of this economic slowdown in really good shape," David Magee, an analyst at SunTrust Robinson Humphrey Capital Markets in Atlanta, said in a Bloomberg Radio interview.

Mounting U.S. job losses and the worst housing slump since the Great Depression pushed consumer confidence in May to its lowest level in 28 years.

Growth in merchandise sales is the "most economically sensitive, and it still grew about 5 percent," said Magee, who recommends investors buy the company's shares.

Walgreen climbed 51 cents, or 1.5 percent, to \$35.58 at 11:02 a.m. in New York Stock Exchange composite trading. Earlier the shares advanced to \$36.05, the biggest one-day gain since March 24. The stock has lost 7.9 percent this year before today.

#### Seeking Bargains

"Customers are looking for bargains, in many cases 'trading down' to buy Walgreen's own brands," Chief Executive Officer Jeffrey Rein said on a call with investors and analysts. "People are absolutely shopping for a value."

Revenue from its 6,727 locations advanced to \$15 billion, helped by an 8.9 increase in prescription purchases. The chain is gaining market share in generic drug sales, Rein, 56, said.

Total same-store sales rose 3.4 percent, while prescription purchases at existing stores increased 2.7 percent.

"There's been a lot of concern" about expenses, Dan Poole, senior vice president of equity research at National City Bank, said in a June 19 interview. His firm manages \$34 billion in assets including Walgreen shares.

Profit margin, or the share of sales left after subtracting the cost of goods sold, fell to 28.2 percent from 28.3 percent. The expense of goods sold increased 9.7 percent in the quarter.

#### Monitoring Expenses

"We've taken a more proactive approach" to controlling salary growth in stores, monitoring sales and expenses on a weekly basis, Rein said on the call.

Sixteen analysts surveyed by Bloomberg predicted average profit of 59 cents, excluding some costs. The sales projection was \$15.1 billion. A year earlier, Walgreen earned \$561.2 million, or 56 cents a share.

Like competitors, Walgreen has been expanding the number of walk-in health centers it runs. Earlier this year, it announced acquisitions of I-trax Inc. and closely held Whole Health Management for more than \$260 million to triple its clinics.



CVS Caremark Corp., the second-biggest U.S. drugstore chain by sales, bought Caremark RX Inc. last year to add the second- largest U.S. pharmacy-benefits manager.

To contact the reporter on this story: Lauren Coleman-Lochner in New York at llochner@bloomberg.net.

Last Updated: June 23, 2008 11:19 EDT

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### **Drug Store News**

#### **Zyrtec sneezes up \$100M in first six months on shelf (2008 Hot Products)**

**June 23, 2008**

Zyrtec may soon challenge Claritin for the top spot as king of the allergy hill, as OTC powerhouse McNeil Consumer Healthcare wields its marketing might behind its switch of Zyrtec, the second of three second-generation antihistamines to make the migration from prescription pads to self-care shelves.

It's the biggest switch to hit allergy shelves since Schering-Plough brought Claritin over the counter in 2002, and it's expected to drive quite a bit of allergy-related visits to the drug store this year. McNeil Consumer Healthcare began shipments of Zyrtec in late January, where, like Claritin, it was joined on shelf with store brand equivalents courtesy of Perrigo and a host of other generics manufacturers.

With the launch, McNeil will be battling Claritin and its own Benadryl for a share of the allergy sufferer category-two brands that occupy the three leading spots in sales of cough/cold/allergy/sinus products across food, drug and mass (minus Wal-Mart), for the 52 weeks ended May 18, a \$2.4 billion category according to Information Resources Inc.

And earlier this year, NielsenHealth released findings that 62 percent of Zyrtec OTC buyers had been on a prescription allergy medicine in the past year, although more than half of those consumers said they were very satisfied with that product. But when Zyrtec hit store shelves, they said they had to try it.

"This is ... a signal that OTC alternatives to allergy prescriptions may become the preference," noted Matt Dumas, managing director of NielsenHealth.

Consumers visiting the Zyrtec Web site ([www.zyrtec.com](http://www.zyrtec.com)) are being invited to join Zyrtopia-an online community for allergy sufferers that can help them track daily allergy forecasts (coming soon, according to the site) and compare them against their allergy symptoms, as well as alert those consumers to any Zyrtec promotions.

As for prescription competition to McNeil's Zyrtec, Pfizer announced in January it would no longer sell a prescription version of the brand, which generated \$1.5 billion in sales through 2007.

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### **Victorville Daily Press Online (Victorville,CA)**

**Ask Dr. H.**

**June 20, 2008**

**By Dr. Mitchell Hecht**

Q: What is your opinion of using (over-the-counter) sleeping pills like Sominex or Simply Sleep?  
—H.S., Santa Rosa

A: There are two general categories of over-the-counter sleep medication: antihistamines and herbal/supplement treatments. Antihistamines like diphenhydramine (e.g. — Benadryl) were

originally developed for the treatment of allergies. They work well, but have a common side effect of sedation (the newer agents like Claritin/Alavert, Zyrtec and Allegra are much less likely to cause sedation). Somnifex and Simply Sleep contain the same medication as the antihistamine Benadryl and are marketed for the treatment of occasional insomnia. They are not indicated for chronic insomnia. They do seem to work, are pretty safe in general, but do tend to lose their effectiveness with repeated use. Some folks complain that antihistamines cause a hangover feeling in the morning. Antihistamines do increase non-REM sleep, but have a variable effect on decreasing important REM (dreaming) sleep.

Valerian root is an herb used by some to help with sleep. Sleep research evaluating valerian root extract is limited and has produced mixed results. Melatonin appears to help with age-related insomnia and jet lag sleep disturbance, but does not show evidence that it consistently treats other causes of insomnia.

Dr. Mitchell Hecht is a physician specializing in internal medicine. Send questions to him at: 'Ask Dr. H,' P.O. Box 767787, Atlanta, GA 30076. Due to the large volume of mail received, personal replies are not possible.

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***Drug Industry Daily***  
**Perrigo Gets Final Nod for Generic Zyrtec Syrup**  
**June 20, 2008**

Perrigo has received final FDA approval to manufacture and market a generic version of McNeil Consumer Healthcare's prescription Zyrtec syrup 1 mg/mL to treat symptoms of seasonal allergic rhinitis.

The product will join the company's line of cetirizine tablets, cetirizine D and cetirizine OTC syrup, Joseph Papa, Perrigo's chairman and CEO, said. Teva also sells a generic version of Zyrtec (cetirizine HCl) syrup.

Perrigo was one of several firms to receive FDA approval late last year for generic versions of Zyrtec tablets approved for OTC use. Pfizer stopped marketing Zyrtec in January after selling the rights to the nonprescription version of the drug in 2006 to Johnson & Johnson, which includes McNeil in its family of companies.

Actavis, Apotex, Caraco Pharmaceutical Laboratories, Mylan, Par Pharmaceutical, Perrigo, Ranbaxy Laboratories, Sandoz and Wockhardt have received final approval to market the generic 5- and 10-mg tablets for treating allergies and hives, according to the FDA Orange Book (DID, Jan. 3).

Zyrtec and Zyrtec D had sales of roughly \$1.5 billion last year, down 2 percent from the previous year, according to Pfizer. -- Elizabeth Jones

Release date: June 20, 2008

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**Perrigo Company Press Release (picked up by CNNMoney.com, Biloxi Sun Herald online)**  
**Perrigo Announces Approval for Rx Cetirizine Syrup**  
**June 19, 2008**

ALLEGAN, Mich., June 19 /PRNewswire-FirstCall/ -- Perrigo Company (Nasdaq: PRGO; TASE) today announced that it has received final approval from the U.S. Food and Drug Administration to manufacture and market Cetirizine Hydrochloride Syrup (Rx only), 1mg/mL. The product is comparable to McNeil Consumer Healthcare's Zyrtec(R) Syrup, 1mg/mL, indicated for the relief of symptoms associated with seasonal allergic rhinitis.

Perrigo's Chairman and CEO Joseph C. Papa stated, "This approval reflects both our strategy to be first to market with important products and the unique position of the Company both in front of and behind the pharmacy counter. This product will join our line of Cetirizine tablets, Cetirizine D and Cetirizine OTC syrup. Additionally, it contains active ingredient supplied by our own API business, a continuation of our vertical integration efforts. This is yet another example of how we are making quality healthcare more affordable for consumers."

Perrigo Company is a leading global healthcare supplier that develops, manufactures and distributes over-the-counter (OTC) and prescription pharmaceuticals, nutritional products, active pharmaceutical ingredients (API) and consumer products. The Company is the world's largest manufacturer of OTC pharmaceutical products for the store brand market. The Company's primary markets and locations of manufacturing facilities are the United States, Israel, Mexico and the United Kingdom. Visit Perrigo on the Internet (<http://www.perrigo.com>).

Note: Certain statements in this press release are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to the safe harbor created thereby. These statements relate to future events or the Company's future financial performance and involve known and unknown risks, uncertainties and other factors that may cause the actual results, levels of activity, performance or achievements of the Company or its industry to be materially different from those expressed or implied by any forward-looking statements. In some cases, forward-looking statements can be identified by terminology such as "may," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "believe," "estimate," "predict," "potential" or other comparable terminology. The Company has based these forward-looking statements on its current expectations, assumptions, estimates and projections. While the Company believes these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond the Company's control. These and other important factors, including those discussed under "Risk Factors" in the Company's Form 10-K for the year ended June 30, 2007, as well as the Company's subsequent filings with the Securities and Exchange Commission, may cause actual results, performance or achievements to differ materially from those expressed or implied by these forward-looking statements. The forward-looking statements in this press release are made only as of the date hereof, and unless otherwise required by applicable securities laws, the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

SOURCE Perrigo Company

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**Thomson Financial (picked up by AFX International Focus)**  
**Perrigo receives final FDA approval for cetirizine hydrochloride syrup**  
**June 19, 2008**  
**By Ryan Vlastelica**

NEW YORK (Thomson Financial) - Perrigo Co. Thursday said it received final approval from the Food and Drug Administration to manufacture and market its cetirizine hydrochloride syrup, which treats symptoms associated with seasonal allergic rhinitis.

The company said the product was comparable to McNeil Consumer Healthcare's Zyrtec Syrup.

Shares of Perrigo closed Wednesday at \$32.35. The stock is up 70% over the past 52 weeks.

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**RTTNews.com**  
**Perrigo announces final FDA approval of Cetirizine Hydrochloride Syrup - Update**  
**June 19, 2008**

(RTTNews) - Perrigo Co. (PRGO: News, Chart, Quote ), a pharmaceutical and healthcare products company, said Thursday it received final approval from the U.S. Food and Drug Administration to manufacture and market Cetirizine Hydrochloride Syrup, 1mg/mL.

According to the Allegan, Michigan-based Perrigo, the product is comparable to McNeil Consumer Healthcare's Zyrtec Syrup, 1mg/mL, indicated for the relief of symptoms associated with seasonal allergic rhinitis.

"This product will join our line of Cetirizine tablets, Cetirizine D and Cetirizine OTC syrup," said Perrigo's Chairman and Chief Executive Officer Joseph C. Papa.

Earlier, in April Perrigo announced the receipt of FDA approval to manufacture and market over-the-counter children's Cetirizine Hydrochloride Oral Solution and children's Cetirizine Hydrochloride Oral Solution, 1mg/mL. The company said that the product comparable to McNeil Consumer Healthcare's Children's Zyrtec Oral Solution, 1mg/mL, indicated for indoor and outdoor allergy and hives relief, would be marketed under store brand labels.

PRGO is trading up \$0.40 or 1.24% at \$32.75 on a volume of about 308 thousand shares.

by RTT Staff Writer

For comments and feedback: contact [editorial@rttnews.com](mailto:editorial@rttnews.com)

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**Briefing.com (picked up by MSNMoney.com)**  
**Market Report -- In Play (PRGO)**  
**June 19, 2008**

Perrigo announces approval for Rx Cetirizine Syrup Co announced that it has received final approval from the U.S. Food and Drug Administration to manufacture and market Cetirizine Hydrochloride Syrup, 1mg/mL. The product is comparable to McNeil Consumer Healthcare's (JNJ) Zyrtec Syrup, 1mg/mL, indicated for the relief of symptoms associated with seasonal allergic rhinitis.

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**StreetInsider.com**  
**Perrigo (PRGO) Announces Approval for Rx Cetirizine Syrup**  
**June 19, 2008**

Perrigo Company (Nasdaq: PRGO) announced that it has received final approval from the U.S. Food and Drug Administration to manufacture and market Cetirizine Hydrochloride Syrup (Rx only), 1mg/mL. The product is comparable to McNeil Consumer Healthcare's Zyrtec(R) Syrup, 1mg/mL, indicated for the relief of symptoms associated with seasonal allergic rhinitis.

Perrigo Company is a leading global healthcare supplier that develops, manufactures and distributes over-the-counter (OTC) and prescription pharmaceuticals, nutritional products, active pharmaceutical ingredients (API) and consumer products.

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**The Detroit News Online**  
**Perrigo gets approval for generic Zyrtec syrup**  
**June 19, 2008**

Perrigo Co. said today that it has won federal approval of a generic version of Zyrtec syrup for the relief of allergy symptoms.

Allegan-based Perrigo said the U.S. Food and Drug Administration has given it the go-ahead to make and market the prescription Cetirizine Hydrochloride Syrup.

The product joins Perrigo's line of Cetirizine products including tablets and over-the-counter syrup, the pharmaceutical company said in a statement.

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**Women's Health Online (picked up by ABCNews.com)**

**Allergy Attack: As the Sneezy Season Blows in Full Force, Choose the Right Treatment to Protect Your Eyes, Nose, and Throat From the Threats to Your Air Space**

**June 18, 2008**

**By Amy Gorin**

Allergies are life's medical traffic jam. Whether you're in the middle of major congestion or a 14-symptom pileup, this time of year is as annoying and painful as it is disruptive and frustrating.

What's worse, no matter what's causing your coughing/sneezing/head-exploding chaos, you can feel lost when it comes to knowing how to eliminate all the stuff, gunk, and goop that's darting through your head. So if you feel stranded on the painful road of allergic symptoms, use this primer to get to the closest exit.

**Your Allergy Situation:** You have a runny nose and you-ou-ou-ou-ou sneeze! all the time.

Like Cameron Diaz movies, all prescription antihistamines are not made alike. Although they all work by stopping histamines (the things your body releases when you're allergic) from getting to their receptors, Zyrtec (cetirizine) has been shown to be more effective than other prescriptions. With over-the-counter (OTC) medication, the antihistamine diphenhydramine (found in Benadryl) is most effective for quelling an allergy attack.

"It works within a couple of minutes; [other antihistamines] work within a couple of hours," says Dr. Beth Eve Corn, chief of Mount Sinai School of Medicine's allergy clinic. The trade-off for fast action is that Benedryl hits you like a Mack truck -- and puts you to sleep fast. You can take loratadine (found in Claritin) to avoid the drowsy effects.

**Tip:** If you know you're going to be exposed to allergens (being outside or around a neighbor's pet, for example), take some loratadine several hours before you go. It's also been shown to have a preventive effect.

**Your Allergy Situation:** Your eyes are as red as the Oscar night carpet.

This time of year, you don't have to travel from LA to NYC to know the meaning of red-eye. While OTC antihistamines can help relieve redness, you're better off with prescription antihistamine drops because they're more effective than the OTC ones and last twice as long -- half a day compared with a few hours. (A 24-hour formula is awaiting FDA approval.) By blocking allergy-causing histamines from their receptors, antihistamines like olopatadine and levocabastine eliminate your au naturel red eyeliner and immediately calm swollen blood vessels in the eye.

The Secret Life of Germs "I rarely use it on a regular basis," says Dr. Timothy Craig, an allergy expert at Pennsylvania State University. "I use it on a rescue basis."

**Tip:** If you wear contacts, take them out and wait five minutes after using any antihistamine drop before popping them in. The lenses can absorb the drop, preventing the medicine from working properly, says Dr. Robert Cykiert, a professor of ophthalmology at New York University.

Your Allergy Situation: Your nose feels clogged and drier than an Arizona desert.

For severe nasal-allergy symptoms, nasal steroids are the first-choice drugs. Imitating the cortisone and hydrocortisone made by your adrenaline gland, they help suppress nasal inflammation by decreasing the production of inflammation-causing cells, says Dr. David Bernstein, professor of clinical medicine at the University of Cincinnati.

For more health tips, check out the latest issue of Women's Health, on shelves now!

It may take longer for your symptoms to go away, but try an OTC first. Combine an antihistamine with a decongestant that contains pseudoephedrine, which makes breathing easier by shrinking the blood vessels in your nose. Test drive the 12-hour OTC decongestants before you swallow the 24-hour formula, because the decongestants can have a stimulating effect, says Dr. Don McNeil Jr., an allergy expert at Ohio State University.

Tip: Nasal saline -- a combo of salt and water -- is an all-natural decongestant that won't cause rebound congestion, a potential side effect of oxymetazoline, which is found in popular OTC decongestants. It clears out allergy-causing debris and relieves dryness by misting the nostrils with moisture, says Corn.

But use a preservative-free formula like Simply Saline Sterile Saline Nasal Mist. A study at Eastern Virginia Medical School found that benzalkonium chloride, the most common nasal saline preservative, kills infection-fighting cells in the nose.

Or make your own. Combine 1/8 teaspoon iodine-free salt with eight ounces warm water and a sprinkling of baking soda to neutralize the pH. Using an ear syringe, squirt water up one nostril until it comes out the other. Make a new solution for each use to avoid sending bacteria into your nose.

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#### **Gaston Gazette Online (Gastonia, NC)**

#### **Achoo! It's allergy season**

**June 15, 2008**

**By Donny Wisor**

More than 50 million people in the United States are affected by allergies, according to a National Health and Wellness Survey.

Spring is the worst time of the year for people with allergies, said Dr. Frederic Levy with E.N.T Carolina, but that doesn't mean allergies will go away once the temperature increases.

But that also doesn't mean you have to suffer through a summer of runny noses, sneezes and puffy eyes while trying to enjoy outdoor activities.

Most common causes outdoor allergies

- Ragweed
- Wildflowers
- Hardwood trees (oaks, hickory and ash)

While pile pollen, the stuff that coats our cars yellow in the spring, is the most visible, it does not usually cause allergies, said David Fogarty, director of Gaston County Cooperative Extension.

Weather influences the amount of pollen. Pollen levels are usually higher on warm breezy days and lower on cool wet days. Pollen levels are usually higher in the mornings than in the afternoon, Fogarty said.

How to avoid outdoor allergies

If you are inside, Levy recommends using your air conditioner and keeping windows closed. "Air conditioners are really effective," he said.

He recommends changing the filter every three months.

You can't block allergies with a window or door when you are outside, so you might need medication.

"Virtually all anti-histamines are over-the-counter now," Levy said.

He said Zyrtec and Claritin are the most popular and they don't cause drowsiness. Benadryl is the most powerful, he said, but it can sedate anyone who takes it.

Most common causes of indoor allergies

- Dust
- Mold
- Insects

Treatment

There's little downside to taking over-the-counter medications, Levy said.

He recommends trying one anytime symptoms start.

If symptoms are too powerful for medication, Levy said you should go to a doctor to try prescription-strength medications.

If that doesn't work, doctors can do an allergy skin test and start immuno therapy with shots or sublingual immuno therapy where drops are placed under the tongue.

Gargling with saltwater also can help, Levy said.

What local honey can do for you

Mark Elders, president of the Gaston County Beekeepers Association, said eating a tablespoon of local honey can help build your immune system against pollen.

"It has to be local," he said.

Local honey has local pollens that help build immunity, he said.

A bee produces one-twelfth of a tablespoon of honey in its lifetime, Elders said.

"If you don't lick the spoon clean, the poor bee died for nothing," he said.

You can get local honey at the farmers market, fruit stands in the community.

Other facts about allergies

- It is the sixth most common chronic illness in the United States.
- Up to 40 percent of children and 30 percent of adults have allergies.
- The numbers are increasing annually.

Source: National Health and Wellness Survey

You can reach Donny Wisor at 704-869-1817.

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**Business Monitor International Industry Insights**  
**Industry Trend Analysis - The Opportunities Presented By Allergic Rhinitis**

**June 13, 2008**

The prevalence of allergic rhinitis in the US is rising and so is the cost of care, according to recent research. Given the size of the market - estimated to be well over US\$13bn in 2008 - BMI believes that numerous opportunities exist for pharmaceutical companies, medical device manufacturers and healthcare providers in general.

According to the Agency for Healthcare Research and Quality (AHRQ), a total of 22mn US citizens, or 7.3% of total population, presented symptoms of allergic rhinitis to their doctor, or obtained a prescription for a drug to manage the condition. This is a significant increase on the 2000 prevalence figure of 6.3%. Allergic rhinitis is a collection of symptoms such as coughing, sneezing, watery eyes, ocular and nasal itching, headache, and wheezing in people allergic to airborne particles of dust, dander or plant pollens. When these symptoms are caused by pollen, allergic rhinitis is commonly called hay fever.

Females are much more likely to display symptoms than males (7.6% versus 4.9% in 2000, and 8.2% versus 6.4% in 2005). The reason for the disparity is unknown, but providers of therapeutics should be aware of this when marketing their products. In terms of spending, a total of US\$6.1bn was spent on allergic rhinitis in 2000. This figure broke down to US\$2.3bn on doctor fees and US\$3.8% for prescription drugs. By 2005, overall expenditure had reached US\$11.2bn (US\$4.0bn for doctor fees and US\$7.2bn on prescription drugs).

Importantly these figures do not include sales of over-the-counter (OTC) medications, which are extremely popular, primarily because allergic rhinitis symptoms are easy to recognise by the average consumer. For example, Pfizer revealed that its Zyrtec (cetirizine) franchise generated US\$1.5bn in revenues during 2006.

In terms of prescription medicines, it is BMI's view that the big winners over the medium term are likely to be manufacturers of steroid nasal sprays. Despite having to be taken for several days before full efficacy is seen, these products are safe and simple to administer. We expect robust sales of Schering-Plough's Nasonex (mometasone) and GlaxoSmithKline's Flonase (fluticasone). Leukotriene receptor antagonists, such as Merck & Co's Singulair (montelukast), are also expected to perform well.

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**celebrityparents.com**

**Molly Shannon Live, from Motherhood!**

**June 12, 2008**

**BY KELLY BURGESS**

Molly Shannon has none of the angst many mothers feel over trying to juggle work and motherhood. As busy as she is, she says that her job as an actress is really about short bursts of really, really hard work, which allows her to devote the rest of her time to her two kids, Stella, 5, and Nolan, 3.

This spring, Shannon has thrown herself into a new role – allergy awareness – teaming with the Asthma and Allergy Foundation of America (AAFA) to launch the Allergies Are No Laughing Matter educational campaign. Part of the campaign includes an allergy quiz ([www.allergysavvy.com](http://www.allergysavvy.com)) to help people determine if the respiratory problems they're experiencing may be from undetected allergies.

Live, from New York!



Born in Shaker Heights, Ohio, Shannon was struggling to make it as an actress in 1995 when she got her big break: a job as part of the ensemble for the 20th season of the legendary comedy show, *Saturday Night Live*. She quickly made her comedic mark and one of her quirky characters, Mary Katherine Gallagher, was so popular that a feature film, *Superstar*, was created in 1999 as a starring vehicle for Shannon to play Mary Katherine. In addition to her work during the 1990s in movies and on *Saturday Night Live*, Shannon co-starred and guest-starred in a variety of television series, including a well-known Seinfeld episode, *The Summer of George*.

When Shannon left *Saturday Night Live* in 2001 she had been a member of the ensemble for six years, longer than any other female cast member. She continued her work in television and movies, including a short run as the star of a Fox series, *Cracking Up*. At the same time, Shannon was busy on the home front as well, giving birth to her two children and marrying artist Fritz Chesnut in 2004. She says they make family time work because her shoots generally don't last for very long.

"I'm able to take a lot of time off," Shannon says. "I work really hard but movies only take a few weeks, so I feel like I have months and months off."

Shannon also takes her kids with her wherever she goes, noting that it's easy because they're still so young and not yet in school. "It's actually kind of fun because you're traveling so you're away from the distractions of home," Shannon says. "When I'm done with work for the day or weekend, it's not like at home where I'm looking around thinking of what has to be done; I can totally focus on the kids. It's like a working vacation."

#### Nothing to Sneeze At

If Shannon has one complaint, it's the problems she's had all her life with severe allergies. She also bemoans the fact that she's passed her sensitivities on to her kids. Allergies are partly genetic, she says, and she's hoping breakthroughs in allergy management will help them to avoid missing out on activities because of allergies.

"I saw one survey where 50 percent of the respondents said their allergies affect their work and social life," Shannon says. "I can relate because if I'm at a party in a house where they have cats it makes me very uncomfortable, wheezy and itchy, and it's definitely affected my work."

Most memorably, Shannon recalls when she was working on the movie *Year of the Dog*. She didn't want to tell the director that she was allergic to dogs, so she didn't say anything. Then, during a photo shoot, the dog licked her and she broke out in hives. She was able to finish making the movie, but she kept her distance from the dog as much as possible. She says she still wouldn't want to turn down a job because of her allergies, and hopes she never has to.

While Shannon's issues are animals and the pollen of spring, her son also has peanut and skin allergies. She recognized his allergies early on because of her own experiences, but wants to get the word out to parents that the "cold" their child has that won't go away or the recurring rash may just be allergies. Knowing what's really going on will help other parents know how to best help their children manage.

With her full life of career, family and now working for a cause she can really relate to, Shannon feels like she finally has it all. "I just feel so fulfilled right now," she says. "I'm just a happy mom."

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#### Reuters

**Allergies cost Americans \$11 billion: survey**  
**June 11, 2008**

WASHINGTON (Reuters) - Americans spent \$11 billion on doctors' bills, prescription drugs and other treatments for allergies in 2005, according to government statistics released on Wednesday.

Sneezing, itchy eyes and other miseries caused by allergies sent 22 million Americans to a doctor that year, according to the Agency for Healthcare Research and Quality.

The money they spent is nearly double the \$6 billion spent in 2000 on allergies, the agency said.

Of the \$11 billion, doctor visits accounted for \$4 billion and prescription drugs cost \$7 billion.

Between 2000 and 2005, average annual spending on treatment of allergies jumped from \$350 per person to \$520 per person, the agency's Anita Soni said.

"These expenditures do not include 'over-the-counter' medications used for treatment of allergic rhinitis," the report reads.

"Many popular prescription medications such as Zyrtec and Claritin used for treatment of allergic rhinitis (that) are currently sold as 'over-the-counter,' were sold as prescription drugs only in years 2000 and 2005, thus are included in the expenditures."

Claritin, known and sold generically as loratidine, is made by Schering-Plough Corp. while Johnson & Johnson acquired Zyrtec, or cetirizine, when it bought Pfizer Consumer Health.

(Reporting by Maggie Fox, editing by Will Dunham)

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#### **HealthDay News**

#### **American Tab for Allergy Sufferers: \$11 Billion**

**June 11, 2008**

It may be nothing to sneeze at, but \$11 billion is how much Americans spent on doctor bills, prescription drugs, and other medical costs to fight allergy symptoms, the federal government revealed Wednesday.

The total for 2005, the most recent year evaluated, was nearly double the \$6 billion spent five years earlier, the Agency for Healthcare Research and Quality said.

The analysis from the agency, part of the U.S. Department of Health and Human Services, also found:

Some 22 million Americans visited a doctor, got a prescription drug, were hospitalized, or received home health care for allergy symptoms in 2005.

Some \$7 billion was spent on prescription drugs, and the remaining \$4 billion was divided among doctor visits and hospital outpatient care.

From 2000 to 2005, the annual average cost of allergy treatment rose from \$350 per person to \$520.

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#### **Dow Jones**

#### **UCB,Otsuka JV Deal Opens Door For Keppra, Cimzia Japan Launch**

**June 10, 2008**

BRUSSELS (Dow Jones)--Belgian pharmaceuticals company UCB's (UCB.BT) joint venture with Japanese peer Otsuka (4768.TO) is a vital step for the launch of key drugs Keppra for epilepsy and Cimzia for Crohn's disease in Japan, analysts said Tuesday.

UCB already has a large sales team in Japan which markets its allergy drug Zyrtec there. Otsuka will provide its specialist sales representatives in neurology and immunology to help market Keppra and Cimzia, according to Bank Degroof analyst Thibaud Rutsaert, who has a buy rating on the stock.

"UCB will sell these two drugs to Otsuka who will act as retailer," he said in a note to analysts.

The company plans to submit filing dossiers for Keppra and Cimzia to Japan's Pharmaceuticals and Medical Devices Agency by early 2009 and the drugs should be launched about 20 months later, Rutsaert said. Analysts expect Keppra to be approved easily but anticipate more difficulty with Cimzia.

Cimzia has been approved for sale in the U.S. after an initial setback but is still awaiting approval in Europe.

The size of the epilepsy and Crohn's disease markets in Japan is \$400 million and \$40 million-\$50 million respectively, according to Rutsaert. Japan is the world's second-biggest drugs market.

-By Niki Stellings-Hertzberg, Dow Jones Newswires; +32 2 741 1484; niki.stellings-hertzberg@dowjones.com [ 10-06-08 1423GMT ]

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**FiercePharma.com**

**Analyst: Singulair drop threatens Merck**

**June 10, 2008**

**By Tracy Staton**

Just what Merck doesn't need: Its asthma-and-allergy med Singulair is losing ground, with new scrips down year-over-year for 13 weeks straight. For the week ended May 30, the drop was 16 percent, and year to date, Singulair has fallen off by 4 percent. That's according to Sanford Bernstein analyst Tim Anderson, who's worried that Singulair performance might seriously undermine Merck's projected 2008 sales growth. The company has projected worldwide year-over-year increases in Singulair sales of 8 percent to 13 percent.

Anderson speculates on possible causes for the reversal. A light allergy season? Competition from a newly OTC Zyrtec? Headlines about the FDA's flagging Singulair as having a potential psychiatric problems? (Merck says safety isn't the reason for the slowdown.)

"As Singulair is Merck's single biggest drug--with 2007 sales of \$4.3 billion, up 19 percent year-over-year, and representing 18 percent of total company sales--these trends are worrisome," Anderson writes in a note to investors. "Internationally, Singulair performance may well be better, but the U.S. accounts for nearly three-quarters of total Singulair sales." Even if scrips stopped dropping now, he notes, the drug would have a tough time making those

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**Dow Jones**

**UCB,Otsuka JV Deal Opens Door For Keppra, Cimzia Japan Launch**

**June 10, 2008**

BRUSSELS (Dow Jones)--Belgian pharmaceuticals company UCB's (UCB.BT) joint venture with Japanese peer Otsuka (4768.TO) is a vital step for the launch of key drugs Keppra for epilepsy and Cimzia for Crohn's disease in Japan, analysts said Tuesday.

UCB already has a large sales team in Japan which markets its allergy drug Zyrtec there. Otsuka will provide its specialist sales representatives in neurology and immunology to help market

Keppra and Cimzia, according to Bank Degroof analyst Thibaud Rutsaert, who has a buy rating on the stock.

"UCB will sell these two drugs to Otsuka who will act as retailer," he said in a note to analysts.

The company plans to submit filing dossiers for Keppra and Cimzia to Japan's Pharmaceuticals and Medical Devices Agency by early 2009 and the drugs should be launched about 20 months later, Rutsaert said. Analysts expect Keppra to be approved easily but anticipate more difficulty with Cimzia.

Cimzia has been approved for sale in the U.S. after an initial setback but is still awaiting approval in Europe.

The size of the epilepsy and Crohn's disease markets in Japan is \$400 million and \$40 million-\$50 million respectively, according to Rutsaert. Japan is the world's second-biggest drugs market.

-By Niki Stellings-Hertzberg, Dow Jones Newswires; +32 2 741 1484; niki.stellings-hertzberg@dowjones.com [ 10-06-08 1423GMT ]

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**FiercePharma.com**

**Analyst: Singulair drop threatens Merck**

**June 10, 2008**

**By Tracy Staton**

Just what Merck doesn't need: Its asthma-and-allergy med Singulair is losing ground, with new scrips down year-over-year for 13 weeks straight. For the week ended May 30, the drop was 16 percent, and year to date, Singulair has fallen off by 4 percent. That's according to Sanford Bernstein analyst Tim Anderson, who's worried that Singulair performance might seriously undermine Merck's projected 2008 sales growth. The company has projected worldwide year-over-year increases in Singulair sales of 8 percent to 13 percent.

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**The Star-Ledger Online**

**J&J offers bright prognosis for business**

**June 6, 2008**

**By Jeff May**

Updating analysts on Johnson & Johnson's business operations beyond pharmaceuticals, a dozen company executives held forth yesterday before an ocean-blue map of the world.

The backdrop in a New Brunswick hotel ballroom was no accident: J&J's growth prospects are increasingly found abroad, particularly in emerging markets such as China and India.

The health-care giant's prescription-drug business has been hurt by declining research productivity, generic competition and tougher regulatory hurdles. Overall company sales have

also been affected by safety concerns surrounding two key products, the anemia drug Procrit and drug-coated coronary stents.

But J&J's day-long business review, pitched to some 170 financial analysts who follow the company, struck a decidedly optimistic tone. The focus was on medical technology and consumer products, two units that saw big changes in the past year.

The medical devices and diagnostics business went through a reorganization that consolidated seven subsidiaries into two categories: surgical care and a comprehensive care groups that addresses chronic conditions such as diabetes and heart disease. The consumer division, meanwhile, absorbed Pfizer's large over-the-counter medicine business.

J&J has adopted a number of strategies, large and small, to boost sales outside of the United States. The result: Last year, the company had overall operational growth of more than 16 percent in such key markets as Brazil, China, India and Russia, according to Chief Financial Officer Dominic Caruso.

"Our global medicine cabinet is growing," echoed Colleen Goggins, worldwide chairman of J&J's consumer division, which reaped 56 percent of its sales outside the United States last year.

Some other highlights of the session:

A key piece of the Pfizer consumer products acquisition was the right to market an over-the-counter version of the allergy medicine Zyrtec. J&J launched the product in January, and, in a matter of months, captured more than 27 percent of a rapidly expanding market, according to Marc Robinson, chairman of J&J's consumer health care and over-the-counter/nutritionals business. Schering-Plough's non-prescription Claritin still clings to a narrow market share lead of 29 percent, but dropped 11 percent, according to Robinson.

Sales of its cardiovascular care business Cordis fell more than 18 percent last year, because of the decline of the drug-coated stent market. But Cordis is developing two new stents, including one -- the Nevo -- based on the Conor stent system that can deliver an anti-clotting drug along with the normal medication to prevent tissue regrowth within an artery. Nevertheless, the unit's chief, Seth Fischer, said the company is looking to diversify to reduce its reliance on stent sales.

The company is exploring the use of its contact lenses as a drug-delivery system for people with poor vision who also have allergies, macular degeneration or glaucoma, said Michael Sneed, who leads J&J's Vision Care business. The unit also is touting the use of contact lenses by children as young as eight, based on the results of a long-term clinical study.

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#### **Associated Press**

#### **Longs May same-store sales fall June 5, 2008**

WALNUT CREEK, Calif. - Pharmacy chain Longs Drug Stores Corp. said its preliminary May same-store sales fell 1.4 percent, citing the recent introductions of several generic drugs.

Analysts polled by Thomson Financial expected a same-store sales increase on 1.5 percent.

Same-store sales, or sales at stores open at least a year, is a key indicator of retailer performance because it measures growth at existing stores rather than newly opened ones.

Pharmacy same-store sales fell 2.6 percent, while front-end same-store sales fell 0.2 percent.

Longs said its pharmacy same-store sales were hurt by new generic introductions being substituted for higher-priced brand-name drugs, along with lower cold, flu, and allergy prescriptions, resulting from the switch of the drug Zyrtec to over-the-counter status.

The company said a shift in the Memorial Day holiday into its fiscal June month also cut into its pharmacy same-store sales.

Total retail drug store sales rose 0.2 percent to \$374 million.

For the first five months of the year, Longs said its same-store sales rose 0.4 percent. Total sales rose 2.3 percent to \$1.59 billion.

Longs shares rose \$1.52, or 3.2 percent, to close at \$49.64.

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**Briefing.com**  
**Market Report -- In Play (LDG)**  
**June 5, 2008**

Longs Drug reports preliminary total retail drug store sales for May +0.2% YoY; same store sales -1.4% Co estimated that preliminary May pharmacy same-store sales were unfavorably impacted by approximately 275 to 300 basis points as a result of recent generic introductions being substituted for higher-priced brand name drugs. In addition, a reduction in cold, flu, and allergy prescriptions, primarily due to the impact of the switch of the prescription allergy medicine Zyrtec to over-the-counter status, had an unfavorable impact of approximately 200 to 225 basis points on pharmacy same-store sales. Longs estimated that preliminary May pharmacy same-store sales were also unfavorably impacted by approximately 125 to 150 basis points as a result of the calendar shift in Memorial Day, which fell in the Company's fiscal month of May this year versus the fiscal month of June last year.

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**Reuters**  
**J&J sees Pfizer deal breaking even a year earlier**  
**June 5, 2008**  
**By Ransdell Pierson**

NEW BRUNSWICK, N.J. (Reuters) - Johnson & Johnson said Thursday it expects its \$16.6 billion acquisition of Pfizer Consumer Health to break even or increase earnings modestly by 2009, a year earlier than previously expected.

Colleen Goggins, worldwide chairwoman of J&J's Consumer Group, speaking to analysts at a company meeting focusing on medical device, diagnostic and consumer businesses, said the integration of Pfizer Consumer Health is expected to result in cost savings of \$500 million to \$600 million in 2009.

The acquisition of the Pfizer unit, which closed in late 2006, brought J&J big brand names, which Goggins said J&J can expand using its extensive global infrastructure.

Some of the brands include Listerine mouthwash, Nicorette stop-smoking chewing gum, and over-the-counter allergy medication Zyrtec.

The company said it has aggressively expanded its Listerine product line, which had double-digit growth last year and in the first quarter. Extensions of the Listerine line, for instance, include Listerine Whitening Quick Dissolving Strips and Listerine Smart Rinse.

"It's impressive that we've seen this kind of growth in Listerine's 127th year," said Marc Robinson, company group chairman of Consumer Healthcare, OTC & Nutritionals. "It's testimony to the brand and benefits from the infrastructure and talent of J&J."

Goggins said the company is still looking at possible acquisitions, albeit not on the scale of Pfizer Consumer Health.

"We still have an appetite for acquisitions," Goggins said. "That being said, the PCH acquisition is really big and really complex and we've been really consumed with integrating it. I don't think we've got the appetite to do anything the size of PCH anytime soon."

Pretax operating profit was 15.8 percent of sales in its consumer division, which generated \$14.5 billion in sales in 2007. Profit margins were held back because of the acquisition, J&J Chief Financial Officer Dominic Caruso said.

"We have been competitive and expect to be more competitive in the future," he said, referring to its consumer business.

Separately, J&J said it plans to file in 2010 for U.S. approval of Cypher Elite, an improved version of its Cypher drug-eluting stent already on the U.S. market.

It said it will seek European and U.S. approvals for its Nevo Sirolimus-eluting heart stent in 2009 and 2011, respectively.

"We have begun clinical trials on Nevo," said Caruso, noting that it is using Sirolimus, which is the drug used on its existing stent, Cypher, on the stent platform it acquired when it bought Conor Medsystems last year.

"It's also a redesign of the stent itself," he added.

J&J, whose stent sales fell some 34 percent in 2007, projected only 1 percent compound annual growth for all drug-eluting stents worldwide between 2007 and 2012.

The company said the total market for these devices, which prop open diseased arteries and deliver medication to keep them clear, will be \$4 billion by 2012.

For the past several years, J&J and Boston Scientific Corp had the only U.S. approved drug-eluting stents, but concerns about safety have tempered their use recently. In addition, there's more competition from other manufacturers.

Seth Fischer, Group Chairman, Worldwide Franchise Chairman at Cordis, J&J cardiovascular products business, said the use of drug-eluting stents versus conventional bare metal stents has stabilized around 60 percent.

"We do not see a return to the near 90 percent seen earlier this decade, but we believe we can drive share growth despite new competition," Fischer said.

Using Conor's reservoir stent technology, the company can use more than a single drug on a stent, including antiplatelet agents to mitigate the risk of developing blood clots.

"We believe it has the potential to become a market disrupter," said Cordis Chief Technology Officer Dr. Campbell Rogers.

Fischer said Cordis plans to capitalize on opportunities outside the United States and diversify so that it is not so reliant on stent sales.

"It has not been an easy time for Cordis as of late," he said referring the softening stent market.

He said the total worldwide market for all cardiovascular products is expected to swell to \$36 billion by 2012, making it the largest market in the medical device sector. In 2007, the market was \$26 billion.

Jeff Jonas, a portfolio manager at Gabelli Asset Management, looks for single-digit sales growth from the whole company for the foreseeable future, with the medical device, diagnostic and consumer units making solid contributions.

He forecast high single-digit earnings in 2008 and 2009, held back somewhat by expected generic competition later this month for its blockbuster schizophrenia drug Risperdal and generic competition next year for its epilepsy drug Topamax.

Thursday's meeting, Jonas said, "reassures me that you will get a solid return from J&J."

Shares of J&J were up 32 cents at \$66.87 in afternoon New York Stock Exchange trade.  
(Additional reporting by Debra Sherman in Chicago; editing by Gerald E. McCormick, Gary Hill)

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**Chicago Tribune**  
**Elsewhere in the Midwest**  
**June 4, 2008**

Walgreen Co.: The Deerfield-based drugstore chain said Tuesday that May sales rose 10 percent, to \$5.04 billion, from \$4.58 billion in the year-ago month.

Comparable-store sales at outlets open at least 12 months rose by 3.9 percent.

Pharmacy sales, which accounted for 64.8 percent of Walgreens' total sales, rose 8.3 percent; on a comparable-store basis, pharmacy sales rose 2.8 percent. Pharmacy sales were dampened by a change in the status of the popular allergy medicine Zyrtec, which had been a prescription drug but recently converted to over-the-counter status.

As of May 31, Walgreens said it had 6,252 drugstores, 554 more than it did a year earlier.

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**The Gazette Online (Colorado Springs, CO)**  
**Strong winds aggravate allergy problems**  
**June 3, 2008**  
**By Brian Newsome**

High winds in the Pikes Peak region this spring have done more than fuel wildfires and blow away picnic settings.

They've pushed clouds of invisible pollen upon allergy sufferers.

Dr. William Storms, an allergist, said the pollen count this year is not unusually high, but it may feel that way because strong winds have pushed sneeze-inducing, eye-watering allergens around more than usual.

"If there's more wind, there's more stuff that's going to hit you in the face," he said.



The wind has had more pollen to blow around recently because trees and other plants bloomed later than usual, he said. Although the pollen count on average is no higher than usual, the delayed bloom has created spikes on certain days.

Pollen - microspores produced by trees and grasses - produce an inflammatory response in the immune systems of people who have allergies.

Once someone has an allergic reaction, his or her nose and eyes may be more sensitive to everyday irritants such as dust.

That means a double whammy of sorts when there are high winds.

The good news: The allergy medication Zyrtec is now available over the counter.

It joins Claritin as the latest prescription allergy drug to lose its prescription-only status.

For sufferers who don't find relief, allergy shots, prescription nasal sprays, eyedrops and other treatments might be required.

CONTACT THE WRITER: 636-0198 or [bnewsome@gazette.com](mailto:bnewsome@gazette.com)

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#### **Associated Press**

##### **Walgreen May same-store sales rise 3.9 percent June 3, 2008**

DEERFIELD, Ill. - Drug store operator Walgreen Co. on Tuesday said May same-store sales rose 3.9 percent, helped by sales of Zyrtec allergy medication and consumables.

Pharmacy same-store sales rose 2.8 percent, while front end, or non-pharmacy, same-store sales rose 6 percent.

Same-store sales, or sales in stores open at least one year, is a key metric of a retailer's performance because it measures growth at existing stores rather than newly opened ones.

Total sales for period ended May 31 rose 10 percent to \$5.04 billion.

Results were helped by sales of newly over-the-counter allergy medicine Zyrtec as well as sales of food. Pharmacy same-store sales were hurt by 2.1 percentage points due to generic drug introductions over the past year.

Fiscal year-to-date, same-store sales rose 4.5 percent while total sales rose 10 percent to \$44.4 billion.

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#### **Reuters**

##### **Walgreen May same-store sales rise June 3, 2008**

CHICAGO (Reuters) - Walgreen Co (WAG.N: Quote, Profile, Research), one of the largest U.S. drugstore chains, on Tuesday posted a 3.9 percent increase in sales at stores open at least a year, helped by strong sales of food and beverages.

The average estimate of two analysts surveyed by Thomson Reuters was 3.9 percent.

Prescription same-store sales rose 2.8 percent, while sales of general merchandise -- or front-end sales -- rose 6 percent at stores open at least a year. Aside from food and beverages, front-end sales were also helped by the recent switch of the allergy medicine Zyrtec to non-prescription status.

Walgreen shares closed Monday at \$36.11 on the New York Stock exchange. The stock is down 5.2 percent this year, compared with a 7.4 percent increase for rival CVS Caremark Corp (CVS.N: Quote, Profile, Research).

(Reporting by Brad Dorfman, editing by Dave Zimmerman)

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**Reuters Health**  
**Walgreen May same-store sales rise**  
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(Reporting by Brad Dorfman, editing by Dave Zimmerman)

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**Thomson Financial News (picked up by AFX International Focus)**  
**Walgreen May comparable sales up 3.9%; total sales up 10% to \$5.04 billion**  
**June 3, 2008**  
**By Ryan Vlastelica**

NEW YORK (Thomson Financial) - Walgreen Co. Tuesday said May same-store sales rose 3.9%, while total sales were \$5.04 billion, up 10% from the \$4.58 billion posted in the year-ago period.

Comparable store front-end sales were up 6% for the company, while comparable pharmacy sales were up 2.8%. The company said comparable pharmacy sales were hurt by 2.1% because of generic drug introductions.

Shares of Walgreen (nyse: WAG - news - people ) closed Monday at \$36.11. The stock is down about 20% over the past 52 weeks.

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**St. Louis Post-Dispatch**  
**Warmer weather might be cause of hives, but ...**  
**June 2, 2008**  
**By Jackie Hutcherson**

Q: Every time the weather turns warm and I go outside, I develop hives - itchy red dots all over my legs and body. I get them sometimes during yard work but sometimes just walking around the neighborhood. They usually appear just after I come inside to get some rest and the hives stay for about 45 minutes to an hour, despite taking a cool shower. I don't want to take Benadryl all the time. Am I allergic to the sun or to sweat? Is that possible? What are my options? It always disappears before I see a doctor. - S.F., Eureka

A: Sounds like you do have urticaria, better known as hives, and most likely it's the warmer weather that is making your skin act up. Dr. Douglas Berson, an allergist and immunologist at Missouri Baptist Medical Center, says that could be it, or you could also be allergic to pollen.

And he has a few other possibilities.

- If you're on medication, that could sensitize your skin to sunlight, causing a reaction.

- Gardening could be triggering the hives, Berson said. It's springtime and tree pollen in the air could be wreaking havoc on your skin.

"And hives can go away rapidly. It is common to have hives disappear and then there's nothing to show," he said. "But we're used to that. But if you have a detailed description for your doctor, that can help with the diagnosis, especially if you have had contact with something specific."

- Are your clothes too tight? Berson says hives can be triggered by constrictive clothing, such as tight elastic on waistbands and socks. Even scratching your skin - in some circumstances - can induce hives.

- You mentioned that you don't want to take Benadryl all the time. If you're tired of the drowsiness associated with Benadryl, Berson recommends one of the newer, less sedating antihistamines available over the counter such as Claritin or Zyrtec. Other good treatments are available only by prescription.

Berson says it can take some trial and error to get the right medication to control it and that an allergist can help.

Website worth checking out: Berson says the American Academy of Allergy Asthma and Immunology has a terrific site - [www.aaaai.org](http://www.aaaai.org) - and you can submit questions to the experts.

Q: I know that diet and exercise are what it takes to lose a fat stomach. But what about people who get thinner and thinner through diet and exercise, but still don't lose the belly fat? Is it possible that some people just have larger and fatter stomachs than others? - T.T., St. Louis

A: You're right. The only way to get thinner is through diet and exercise. But when it comes to losing only belly fat or some other hard-to-get-fit spot, there is no magic pill, says Loreen Mattson, cardiac rehab supervisor at Barnes-Jewish Hospital.

"There isn't any set reasoning why one person seems to get trimmer in the midsection, while another will have the thinner thighs," Mattson said.

So if you do 50 situps, you're toning your abdominal muscles, not burning fat, Mattson says.

While losing weight in the midsection may take longer for some, Mattson says the goal is for a woman's waist to be less than 35 inches and less than 40 inches for men. With a daily 30-minute exercise that increases your heart rate and breathing, and watching your calories and saturated fats, she says you should see your tummy decrease.

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**Drug Industry Daily**  
**Drugmakers Sue to Protect Xyzal**  
**June 2, 2008**

For the second time this year, Sepracor and UCB have brought a patent infringement suit to prevent a drugmaker from launching a generic version of the allergy drug Xyzal.

In a suit filed in the U.S. District Court for the Eastern District of North Carolina, Sepracor and UCB allege that Indian drugmaker Sun Pharmaceutical Industries infringed on the '558 patent covering Xyzal (levocetirizine dihydrochloride) when it submitted an ANDA with a Paragraph IV certification for a 5-mg tablet containing levocetirizine dihydrochloride. Sepracor owns this patent, which it has licensed exclusively to UCB.

Sun told the plaintiffs in an April 17 letter that the patent, which expires in September 2012, is invalid or will not be infringed on by the commercial manufacture, use or sale of the levocetirizine products described in the ANDA, according to court documents.

The plaintiffs brought suit in April against Synthon Pharmaceuticals in the same court for infringing on Xyzal's '558 patent. In both cases, Sepracor and UCB have asked the court to enjoin the defendants from selling generic versions of the drug before its patent expires.

The FDA approved Xyzal in May 2007 to treat symptoms associated with seasonal and perennial allergic rhinitis and uncomplicated skin manifestations of chronic idiopathic urticaria in adults and children 6 years of age and older. The drug is distributed and marketed by UCB and sanofi-aventis in the U.S.

Xyzal had worldwide net sales of \$261 million last year, according to UCB. -- Elizabeth Jones

Release date: June 2, 2008

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**Global Insight Daily Analysis**  
**Sun Pharma's U.S. Presence Boosts Profits by 90% in FY 2007/08**  
**June 2, 2008**

**Global Insight Perspective**

**Significance**

Sun Pharma's net profit for the fiscal year increased by 92%, achieving a 57% increase in sales.

**Implications**

FY 2007/08 has been a significant year for Sun Pharma's U.S. presence, with product exclusivities and U.S. subsidiary Caraco's record performance boosting sales and profit, especially in the fourth quarter of the fiscal year. The company's traditionally strong domestic formulations business has also performed well, achieving a 43% contribution towards overall sales.

**Outlook**

Sun Pharma has set a guidance of 25% growth in sales for FY 2008/09. It is expecting to file for 30 Abbreviated New Drug Applications (ANDAs) over the next fiscal year, while 48 pre-existing ones are expected to drive the guidance for the coming year, despite some ANDA's failing to gain approval. The company will also see increased legal expenses in the coming quarters, owing to Taro's withdrawal from merging with the Indian firm.

Indian drug firm Sun Pharma has posted sales growth of 57% year-on-year (y/y) to 33.56 billion rupees (US\$793 million) for FY 2007/08, bolstered by its U.S. generic business. Net profit and profit before tax (PBT) posted increases of 90% and 92% to 14.87 billion rupees and 15.99 billion rupees, respectively, while R&D for the year also increased by 16% to 2.99 billion rupees. Although the company's strong performance in the United States boosted its performance, the domestic market has always been a revenue generator for the company. FY 2007/08 was no different, with domestic formulation sales at 14.76 billion rupees, contributing to 43% of Sun Pharma's overall sales for the year.

Results for the fourth quarter of FY 2007/08 have driven the company's fiscal year performance. Sales increased by 129% to 12.57 billion rupees, while net profit and PBT for the quarter rose by incredible rates of 225% and 222% to 7.23 billion rupees and 7.67 billion rupees, respectively.

#### Sun Pharmaceuticals: Selected Results, FY2007/08 (mil. rupees)

|                   | FY 2007/08 |    | % Change Y/Y |     | Q4 FY 2007/08 | % Change Y/Y |  |
|-------------------|------------|----|--------------|-----|---------------|--------------|--|
| Net Sales         | 33,565     | 57 | 12,571       | 129 |               |              |  |
| R&D Expenses      | 2,990      | 16 | 826          | 16  |               |              |  |
| Profit Before Tax | 15,994     | 92 | 7,675        | 222 |               |              |  |
| Net Profit        | 14,869     | 90 | 7,228        | 225 |               |              |  |

Source: Sun Pharmaceuticals

#### Caraco Boosts Sun Pharma's U.S. Generics Sales

The Indian firm's U.S. subsidiary, Caraco Pharmaceuticals, has posted record sales for FY 2007/08, surging by 99% to US\$350 million, while net income rose by 31% to US\$35.4 million for the year. Like Sun Pharma, Caraco's fourth-quarter results led its performance over the fiscal year. Fourth-quarter sales were at US\$192 million, up a massive 481%, while profits for the quarter reached US\$11.5 million, up 21%. The launch of pantoprazole and oxcabazepine through Caraco led sales for the latter in the fourth quarter of FY 2007/08.

Sun Pharma and Caraco's strong performances for the year have been boosted by product exclusivities and at-risk launches. Shared exclusivity for Novartis's (Switzerland) epilepsy drug Trileptal (oxcabazepine) and Eli Lilly's (U.S.) cancer drug Gemzar (gemcitabine) are reflective of Sun Pharma's Para IV filing successes. It also launched generic versions of Wyeth's (U.S.) Protonix (pantoprazole) and MedImmune's (U.S.) Ethyol (amifostine injection) even though patents on both products are yet to expire. Other generic launches that have strengthened Sun Pharma's U.S. product pipeline over the year include Demadex (torsemide) and delayed-release tablets of generic Depakote (divalproex sodium).

#### Outlook and Implications

Sun Pharma has set a guidance of 25% growth in sales for FY 2008/09, and hopes to file 30 ANDAs in addition to the 48 already filed. Caraco's guidance is in line with Sun Pharma's upon completion of the expansion of its facilities by the end of the year. Sun Pharma has done exceedingly well compared with such Indian firms as Ranbaxy Laboratories and Dr Reddy's Laboratories. However, although the company seems to have finally stepped up its performance in the United States, it lags both Ranbaxy and Dr Reddy's in the European market. The recent Taro Pharmaceuticals (Israel) merger termination will add to the firm's grievances in the coming fiscal year, with additional litigation costs and a delayed expansion into the market (see India - Israel: 29 May 2008: ). The company will therefore have to depend solely on the Indian and U.S. markets in FY 2008/09 for the majority of its revenues. Litigation over Eli Lilly's Strattera (atomoxetine), UCB/Sepracor's (Belgium/U.S.) Xyzal (levocetirizine) and MedImmune's Ethyol (amifostine injection) will add to litigation expenses over FY 2008/09. Para IV filings for generic Ethyol will prove beneficial for the company in the medium to long term; it expects exclusivity for Ethyol in the U.S. market upon patent expiry in 2012.

## Related Articles

India: 20 March 2008: India: 15 October 2007:

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### **Bloomberg**

#### **UCB, Sepracor Sue Sun to Block Generic of Allergy Drug Xyzal**

**May 29, 2008**

**By Susan Decker**

May 29 (Bloomberg) -- UCB SA, the Belgian maker of the allergy medicine Zyrtec, and Sepracor Inc. sued Sun Pharmaceutical Industries Ltd. to block sales of a generic version of the antihistamine Xyzal in the U.S.

Sun is seeking U.S. Food and Drug Administration approval to sell a copy of the once-daily tablet, which has the active ingredient levocetirizine. UCB and Sepracor said the copy would violate a patent for a method of treating allergies with the compound. Sepracor owns the patent and licenses it to UCB.

The companies want a court to prevent Sun from getting FDA approval until the patent expires in September 2012. Xyzal is the successor to Zyrtec, which lost patent protection in the U.S. last year. First-quarter Xyzal sales were 18 million euros (\$27.9 million) in the U.S., Sanofi-Aventis SA said last month.

Sanofi, France's biggest pharmaceutical company, markets the drug in the U.S. and shares the profit with Brussels-based UCB. Sepracor, based in Marlborough, Massachusetts, said it received \$1.3 million in royalties on sales of Xyzal in the first three months of the year.

Officials with Mumbai-based Sun didn't immediately return a request for comment.

The complaint was filed yesterday in federal court in Greenville, North Carolina. UCB and Sepracor last month also sued Synthon BV over its FDA application to sell generic Xyzal.

The case is Sepracor Inc. v. Sun Pharmaceutical Industries Ltd., 08cv247, U.S. District Court for the Eastern District of North Carolina (Greenville).

To contact the reporter on this story: Susan Decker in Washington at [sdecker1@bloomberg.net](mailto:sdecker1@bloomberg.net).

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### **The Oregonian Online (Oregon)**

#### **Allergies gotcha? Here's help**

**May 28, 2008**

**By Andy Dworkin**

Across Oregon, noses are running and eyes are burning.

We're the world capital of grass allergies, as many Oregonians unhappily remember each spring. Tree pollen and weeds also plague spring noses, while molds, dust and more can make life a runny ruin year-round. About 20 percent of adults have allergies, as do as many as 40 percent of children, said Dr. Anthony Montanaro, chairman of OHSU's Allergy and Immunology Department.

Drug companies have been busy cooking up a diverse -- and sometimes confusing -- range of treatments for the allergic masses. Montanaro advises people to "first try over-the-counter medicines, and if they're not responding to those then going to their primary care doctor." Tough cases call for allergists who can diagnose the source of the problem and offer help including shots. And soon, Montanaro hopes, under-the-tongue drops that work like shots and are now used in Europe will be available.

Until those arrive, here's a guide to other allergy-fighting options from cheap saline sprays to expensive-but-effective shots:

- What it is: Avoidance
- How it works: If the allergens don't get to you, you don't sneeze or get hives.
- Benefits: Prevents allergies from starting. Can be low-cost.
- Drawbacks: You must know what you're allergic to in order to avoid it. And it can be hard to avoid pollen, dust mites and other widespread allergens. Items like air filters and mite-blocking mattress covers can be expensive.
- How to get it: Notice when and where your allergies start and get worse, then talk to a doctor about possible causes and ways to avoid them.
  
- What it is: Saline spray
- How it works: Washes pollens and inflammatory cells from the nose.
- Benefits: Cheap and easy to use.
- Drawbacks: Can feel unpleasant. Doesn't always work, especially for serious allergies.
- How to get it: Available at stores for about \$1.50 a bottle.
  
- What it is: Nasal steroid spray (Flonase, etc.)
- How it works: Reduces inflammation of the nose. Exactly how is not known.
- Benefits: The best medicine for relieving nasal allergy symptoms including sneezing and itchy, runny noses and congestion.
- Drawbacks: May cause bloody noses. Some people find the smell or feel of certain sprays unpleasant.
- How to get it: A doctor must prescribe one of the many steroid sprays. Switch if you don't like the smell or feel of one -- all the brands work equally well. Price can be as much as \$100 for prescription brands.
  
- What it is: Cromolyn (NasalCrom) nasal spray
- How it works: Stops allergies from happening by keeping mast cells from releasing allergy-causing chemicals. Start using a week or two before your allergy season begins.
- Benefits: May prevent your allergies entirely.
- Drawbacks: Works only for some people. Doesn't help symptoms once allergies start.
- How to get it: Over the counter in stores. Costs roughly \$15 a bottle.
  
- What it is: Non-sedating antihistamine pills (Claritin, Zyrtec, etc.)
- How it works: Blocks inflammatory chemicals called histamines.
- Benefits: Helps relieve sneezing and itchiness in the nose and throat for many people, usually without causing drowsiness.
- Drawbacks: Doesn't help congestion, so some brands mix in a decongestant (like Claritin-D). Some brands, including Zyrtec, cause sleepiness in a minority of users. Don't double the dose, which raises the risk of sedation.
- How to get it: Over the counter, though Allegra and a new drug, Xyzal, are prescription. Costs run from 7 cents a pill for generics to \$3.50 a pill for Xyzal.
  
- What it is: Sedating antihistamine pills (Benadryl, diphenhydramine).
- How it works: Blocks histamines.

- **Benefits:** Helps relieve sneezing and itchiness in the nose and throat for many people.  
**Drawbacks:** Makes most users very sleepy, with a "significant hangover effect in the morning" that can make it dangerous to drive or run machinery, Montanaro said. That's why diphenhydramine is in sleeping pills.
- **How to get it:** Over the counter. Costs run from 5 to 25 cents a pill.
- **What it is:** Singulair, a pill.
- **How it works:** Blocks leukotrienes, chemicals that help inflame the nose.
- **Benefits:** Works about as well as antihistamines but in a different way, for people who don't get help from antihistamines. Also may help asthma.
- **Drawbacks:** The FDA is studying a possible link to depression and suicidal thoughts.
- **How to get it:** Prescription required. Costs about \$3.50 a pill.
- **What it is:** Eye drops.
- **How it works:** Antihistamine eye drops fight inflammation and itchiness. Over the counter eye drops may just relieve itching and redness.
- **Benefits:** Targeted relief for people with especially bad eye symptoms.
- **Drawbacks:** Can sting slightly. Prescription drops are expensive.
- **How to get it:** Antihistamine drops take a prescription and can cost \$100 a bottle. Over-the-counter drops cost several dollars a bottle.
- **What it is:** Allergy shots
- **How it works:** Officially called immunotherapy; a doctor injects you with small but increasing amounts of allergen until your immune system adjusts.
- **Benefits:** Can actually cure allergies in many cases.
- **Drawbacks:** Shots hurt, and you have to see the doctor weekly at the start and get injections for years. There's a risk of a serious allergic reaction to the shots.
- **How to get it:** An allergist prescribes and gives the shots. Can cost roughly \$2,000 for full treatment, but it's covered by most insurance plans.

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**Charlotte Observer Online**

**Caution prescribed on trampolines: Local doctor warns newcomers of dangers in backyard fun**

**May 25, 2008**

**By Jane Duckwall**

On a recent weekend, Dr. Alfred Kendrick treated three children who broke bones while playing on a trampoline.

The children, who ranged in age from preschooler to middle-schooler, were not related. And neither were the incidents that landed them in the Union West urgent care center operated by Carolinas Healthcare.

But their arrival at the same urgent care center, on the same spring weekend, was something Kendrick likely never would have seen in Chicago or Cleveland, where he lived before moving to the area nearly three years ago.

He believes the relative abundance of trampolines here warrants a warning for newcomers, who may not be aware of the potential danger lurking in neighborhood backyards

"I'm originally from the Midwest," he said, "and I'm seeing so many more trampoline injuries here. In the Midwest, you see only an occasional trampoline injury."



Some he's seen here have occurred when one child lands on another as two or more jump together. Children also can be injured by slipping or bouncing into unprotected springs, bouncing off the trampoline onto the ground or landing awkwardly on the trampoline surface.

The Foundation for Spinal Cord Injury Prevention, Care and Cure reports on its Web site that "246,875 medically treated trampoline injuries occur annually in the United States. Of this total, 186,405 of these injuries occurred among children aged 14 or younger."

If Kendrick's experience is any indication, a larger percentage of those injuries occurs in warmer climates.

"I think probably (trampoline) ownership is higher here than in the Midwest," he said, explaining that harsher weather in the Midwest would likely damage trampolines left outdoors. People here are more likely to leave trampolines outdoors year-round, he said.

"I think parents need to instruct children about trampoline behavior and need to be there to supervise," he said.

And, he added, parents also should give their children "some warnings about playing on trampolines so they can exercise some judgment" when they are away from home.

If Union County parents follow Kendrick's advice, he may have fewer patients sitting in the waiting room at Union West.

But I don't think he'll mind.

#### Allergy sufferers

Allergy sufferers are more likely to fill up Kendrick's waiting room than patients with trampoline injuries -- particularly this time of year. And often those miserable, pollen-smacked patients are newcomers. Kendrick said they are generally not in the urgent care waiting room because of allergy symptoms, but because of related sinus infections or "sometimes lung inflammatory problems."

"Most of them are already on medicines for their allergies," he said.

Some newcomers may benefit from medicines designed to treat allergy symptoms. These include over-the-counter Claritin, Zyrtec, Benedryl and prescription Allegra. But Kendrick cautions that some side effects may include sleepiness, so use them with caution.

#### Urgent care locations

Carolinas HealthCare has two urgent care locations in Union County. The Union West location, where Kendrick works, is at 6030 W. U.S. 74, Suite A, in Indian Trail. The Monroe location is at 613 E. Roosevelt Blvd. newcomer

network

Coming next week

There's at least one other health concern that newcomers to the region need to guard against. Read next Sunday to find out. And, if you have any comments or suggestions for future columns, please let me know. E-mail [jduckwall@charlotteobserver.com](mailto:jduckwall@charlotteobserver.com) or call 704-289-6576. Jane

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***The New York Times***

**McCain's Health Is Called Robust By His Doctors**  
**May 24, 2008**  
**By Lawrence K. Altman and Elisabeth Bumiller**

SCOTTSDALE, Ariz. -- Senator John McCain, 71, is in excellent health and shows no evidence of the recurrence of the melanoma skin cancer that led to extensive head and neck surgery in 2000, Mr. McCain's doctors said Friday.

Mr. McCain, the presumptive Republican presidential nominee, has kidney stones and takes medication to reduce his cholesterol but otherwise has a strong heart and is in good shape, the doctors said.

"At the present time, Senator McCain enjoys excellent health and displays extraordinary energy," Mr. McCain's primary care physician, Dr. John D. Eckstein, told reporters in a conference call arranged by Mr. McCain's campaign. "While it is impossible to predict any person's future health, today I can find no medical reason or problems that would preclude Senator McCain from fulfilling all the duties and obligations of president of the United States."

In addition, Dr. Eckstein said, "We continue to find no evidence of metastasis or recurrence of the invasive melanoma as we approach the eighth anniversary of that operation."

He concluded that the prognosis for Mr. McCain was "very good" because "the time of greatest risk for recurrence of invasive melanoma is within the first few years after the surgery."

But the 1,173 pages of medical records did provide some important details about his cancer in 2000: Two pathologists at the Armed Forces Institute of Pathology who examined the melanoma specimen from Mr. McCain's left temple in 2000 suggested that there were two melanomas on his temple, not one, as his doctors had said publicly at the time. Specifically, the Armed Forces Institute pathology report said that details about the lesion were "highly suggestive of a metastasis of malignant melanoma and may represent a satellite metastasis," with satellite meaning one melanoma had spread to create another.

The Mayo Clinic in Scottsdale said it "cannot comment" on another institution's medical opinion, and stood by its diagnosis and treatment of Mr. McCain's melanoma. Mr. McCain's melanoma is classified as Stage IIA, his campaign has said.

But two experts in the field who reviewed the pathology report released on Friday said it was unclear whether the melanoma on Mr. McCain's temple had metastasized from another, or whether there was one new primary melanoma.

If the spread was through the nearby melanoma, that could suggest a greater risk, said Dr. Lynn M. Schuchter, a melanoma expert at the University of Pennsylvania, and Dr. Mohammed Kashani-Sabet, director of the Melanoma Center at the University of California, San Francisco.

Mr. McCain, who would be the oldest president to take office if he wins election in November, chose to release his most recent medical records on the Friday before Memorial Day weekend in what his campaign advisers said was an effort to play down reporting about his cancer surgery. Despite Mr. McCain's favorable report, the advisers have said they do not consider articles about his melanoma as politically helpful and are hopeful that they will attract less notice over the long holiday.

The 45-minute conference call with Mr. McCain's doctors occurred after a tightly controlled pool of about 20 reporters was shown into a conference room at the CopperWynd Resort near the Mayo Clinic. The reporters were permitted three hours to review and take notes on the 1,173 pages of Mr. McCain's medical documents, spanning 2000 to 2008, but they were not permitted to remove the documents from the room or photocopy them.

Campaign officials said they imposed the restrictions to prevent the widespread dissemination of the actual records and to protect Mr. McCain's privacy.

Since 2007, Mr. McCain had repeatedly promised to make public his most recent medical records. Mr. McCain told reporters last week and his doctors repeated on Friday that the holdup was because of the difficulty gathering the physicians and campaign officials together after Mr. McCain's most recent doctor's visit, which was to see his dermatologist, Dr. Suzanne Connolly, on May 12.

In the call, Dr. Eckstein said there was no evidence of short-term memory loss in Mr. McCain either in his history or his examination, but Dr. Eckstein did not say if he had performed tests of Mr. McCain's mental status.

The issue of mental competence has been an especially sensitive one since the end of the Reagan presidency. Former President Ronald Reagan at times forgot and confused names of people. After he left the White House, he was diagnosed with Alzheimer's.

In the conference calls, Mr. McCain's doctors reported that Mr. McCain takes a variety of medications: simvastatin to control his cholesterol levels; hydrochlorothiazide for kidney stone prevention; aspirin for blood clot prevention; Zyrtec, an antihistamine, as necessary for nasal allergies; Ambien CR, as necessary for sleep when traveling; and a multiple vitamin tablet.

According to a pool report based on the review of the records, Mr. McCain's cholesterol level was recorded as high in 2003, with a total cholesterol of 226 and an LDL, or harmful cholesterol, of 139, and an HDL, or good cholesterol, of 35. Mr. McCain was put on Vytorin, which worked in reducing his cholesterol in subsequent checks, but he was taken off this year after reports that the drug may not work.

Mr. McCain was instead put on simvastatin, which the records said did not reduce his cholesterol by as much but was deemed "acceptable."

In addition, Dr. Eckstein reported that Mr. McCain had "significantly reduced range of motion" in his shoulders, arms and right knee from injuries sustained as a prisoner of war in North Vietnam. Dr. Eckstein has said Mr. McCain might need a joint replacement in the future.

Mr. McCain's doctors elaborated only slightly in the conference call on previously released details about the senator's cancer surgery. Dr. Michael L. Hinni, Mr. McCain's surgeon, said that a circular wound on the left side of Mr. McCain's face from the surgery was six centimeters by six centimeters, a size not previously disclosed.

Dr. Hinni said in the conference call, as he has in the past, that "the large incision was necessary to safely remove all cancer with an appropriate margin, resulting in a wound requiring sizeable reconstruction." He restated that the large incision was made so that a flap of skin and soft tissue "consistent with the color and texture" of Mr. McCain's facial skin could be rotated into the wound.

Dr. Hinni also said he wanted to answer questions about the prominence of the senator's left jaw, which has appeared puffy since the 2000 surgery. "This is a result of an absence of soft tissue on the face in front of his ear that makes the masseter, or the chewing muscle, over the jaw appear more prominent," he said. "To be clear, the swelling is not due to any evidence of cancer."

Dr. Hinni said that during the reconstructive surgery to close the wound, 33 lymph nodes were removed, a relatively large number, because they were already exposed and Dr. Hinni felt it a "prudent" course.

Because doctors generally do not recommend extensive neck node dissection for Stage IIA, a number of melanoma experts have said they suspected that Mr. McCain's melanoma was Stage III, which carries a bleaker prognosis.

Although he has shown no sign of recurrence, melanomas can be quirky, and experts say no melanoma survivor is 100 percent clear of danger. For Stage IIA melanoma, the survival rate 10 years after diagnosis is about 65 percent. But the outlook is much better, as Mr. McCain's doctors noted, for patients who have already survived more than seven years.

Dr. Connolly told reporters that there was "no crystal ball to predict with certainty" if Mr. McCain's cancer would return, but she put the chance at less than 10 percent at this stage in his life.

The doctors also reported that Mr. McCain has occasional momentary episodes of dizziness when he stands up too quickly. They diagnosed the symptoms after testing as a common condition, "benign positional vertigo," and said it was not a precursor for a stroke.

In addition, the doctors said Mr. McCain had his most recent colonoscopy in April, when six benign polyps were removed.

In 1999, Mr. McCain released about 1,500 pages of his medical and psychiatric records, which were amassed as part of a Navy project to gauge the health of former prisoners of war.

In those records, doctors said Mr. McCain's mental status and psychological tests were normal. A psychiatric evaluation in 1974 described him as ambitious, competitive and energetic.

As a prisoner of war, Mr. McCain told doctors, he had tried to commit suicide twice. But by 1977, he said he had "all but forgotten the traumas of captivity."

PHOTO: Senator John McCain, seen in Miami on Tuesday, allowed reporters to examine 1,173 pages of his medical records on Friday. (PHOTOGRAPH BY JEFF CHIU/ASSOCIATED PRESS) (pg. A14)

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### ***Los Angeles Times***

**Doctors clear McCain for duty; Despite skin cancers and minor maladies, the GOP contender has a clean bill of health, they say.**

**May 24, 2008**

**By Ralph Vartabedian Maeve Reston**

John McCain is in good health despite a 15-year history of skin cancers, including a minor case as recently as February, and bouts with precancerous polyps in his colon, cysts in his kidney and stones in his bladder, his doctors said Friday.

McCain, 71, takes medications for elevated cholesterol and prevention of kidney stones, as well as an occasional pill to help him sleep, a panel of doctors said during a 45-minute news conference. The presumed Republican presidential nominee also suffers minor bouts of vertigo when he abruptly rises from a chair, though the condition is not an indication of any heart condition or precursor to a stroke, the doctors said.

Despite his maladies, the senator from Arizona has extraordinary energy, even walking the Grand Canyon from one rim to the other two years ago, the doctors said.

"While it is impossible to predict any person's future health, today I can find no medical reason or problems that would preclude Sen. McCain from fulfilling all the duties and obligations of president of the United States," said Dr. John D. Eckstein, a Mayo Clinic physician who has treated him for 16 years.

The most serious health issue McCain has faced was the removal of a cancerous melanoma from his left temple, which left a scar nearly 2 inches in diameter and necessitated the removal of underlying lymph nodes. But no cancer has recurred there, and the probability of such a recurrence is less than 10%, his doctors said.

Eckstein added that there was no reason to think that McCain's age alone would be an impediment if he were elected president and that there was no evidence he has suffered any memory loss.

A panel of four doctors released summaries of McCain's medical records Friday in what the campaign said was an unprecedented level of disclosure for a presidential candidate. Questions about McCain's health and age have come up repeatedly on the campaign trail. If elected, McCain at 72 would be the oldest first-term president; if he served two terms, he would leave office an octogenarian.

Health questions increasingly have dogged McCain, who last week made fun of his age in an appearance on "Saturday Night Live" and has been attempting to portray an image of fitness and vigor as he stumps across the nation. By addressing the health issue on the eve of a long holiday weekend, McCain's campaign staff said privately, they hoped to get past it and to turn public attention elsewhere as the campaign progresses.

National polls have shown that a majority of the public does not consider McCain's age a problem. But a significant minority is concerned about it, and that alone could be important in a close general election.

McCain has been promising for a year to make his healthcare records public. The campaign controlled the long-delayed event by hand-picking a group of reporters -- from the Washington Post, the Arizona Republic, three news services and the major television networks -- who were allowed to examine the 1,173 pages of documents for three hours at a resort here in Fountain Hills, near the Mayo Clinic in Scottsdale. A summary was provided to other news organizations, but copies of the documents were not made available.

The news conference, in which the doctors spoke by telephone, was scheduled to last 90 minutes but was ended in half the time. Campaign spokesman Brian Rogers said that was because "there weren't any real questions left."

"This release is an unprecedented disclosure of primary sourced medical information about a presidential candidate," said McCain spokesman Tucker Bounds.

Bill Clinton released few or no medical records during his presidential campaigns, according to Stephen Hess, a presidential historian at the Brookings Institution. During Clinton's reelection run in 1996, his rival, Bob Dole, released voluminous documents to ease concerns about his age.

But McCain critics said Friday's release of information would not put the public's mind at ease.

"The last thing the Democrats will do is attack McCain on his health," said Samuel Popkin, a UC San Diego political science professor. "You just have to leave it for people to think about. It could worry the public anyway."

McCain has had four malignant melanomas removed, as well as other skin cancers. The most serious was the invasive melanoma from his left temple. It was diagnosed in August 2000, after McCain had not returned to the Mayo Clinic for about 27 months.

The five-hour surgery left a depression that has exaggerated the jaw muscle, leaving what looks like a lump on his face. And the scar, according to the summary released Friday, has caused him

discomfort and concern about his looks. He underwent a procedure in 2001 and for a time wore a face-mask at night to reduce the scarring.

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Reston reported from Arizona and Vartabedian from Los Angeles.

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(BEGIN TEXT OF INFOBOX)

Bill of health: an overview

Highlights of Republican presidential candidate John McCain's medical records, spanning 2000 until this month:

Blood pressure: A healthy 134 over 84. (Optimal is below 120 over 80, and high blood pressure begins at 140 over 90.)

Cholesterol: Total cholesterol is a healthy 192, below the worrisome 240 level. His so-called bad or LDL cholesterol is a healthy 123. But his so-called good or HDL cholesterol is 42, below the recommended 60.

Weight: 163 pounds, healthy for his height of 5-foot-9 1/2.

Skin cancer: He has had four separate melanomas, the most dangerous type of skin cancer, removed -- in 1993, 2000 and 2002. Three were very early-stage forms, but one, a spot on his temple removed in 2000, was invasive cancer deemed "intermediate-stage" melanoma. He has had no sign of melanoma since 2002. Doctors frequently remove precancerous lesions and in February removed a small, early squamous cell carcinoma, an easily surgically cured skin cancer.

Colon: Doctors removed common benign growths called polyps during a routine colonoscopy in March.

Vertigo: Since 2000 he has suffered occasional bouts of dizziness, usually when standing suddenly, that repeated tests concluded were harmless vertigo.

Prostate: In 2001, he had successful minimally invasive surgery to reduce an enlarged prostate, common in older men. He shows no sign of prostate cancer.

Medications: His medications include simvastatin, part of the popular statin family of anti-cholesterol drugs; a baby aspirin, commonly prescribed starting in middle age to prevent heart attacks; Claritin, Zyrtec or Flonase as needed for seasonal allergies; the sleeping pill Ambien as needed during travel; and HCTZ, or hydrochlorothiazide, to prevent kidney stones.

Cardiovascular system: McCain's stress test showed no signs of blockages, and his ejection fraction, a measure of the heart's pumping strength, was a very healthy 60%.

Other: He has had instances of kidney and bladder stones.

PHOTO: RECOVERING: This photo from February 2002 shows a bandaged Sen. John McCain after the removal of a melanoma. He's had no sign of the deadly skin cancer since that year, his medical records showed, although doctors have frequently removed precancerous lesions.;PHOTOGRAPHER:Stephen J. Boitano Associated Press

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**Chicago Tribune**

**Doctor: McCain is in excellent health; GOP candidate opens files to calm age fears**

**May 24, 2008**

**By Jill Zuckman**

**WASHINGTON**

Confronting a potential trouble spot, the campaign of Sen. John McCain produced medical records Friday showing that the 71-year-old presumptive Republican presidential nominee is cancer-free and physically able to serve as president, an assertion backed up by his doctors.

"Sen. McCain is in excellent physical and mental health at this time," said Dr. John Eckstein, his internist for 16 years at the Mayo Clinic in Arizona. "We can find nothing in his medical history to prevent him from serving as president of the United States with vigor."

The Arizona senator would be the oldest person elected to a first term as president, and some voters have expressed concerns about his age. Campaign officials hope to quash those worries with the release of his medical records.

Four physicians from the Mayo Clinic spoke to reporters and answered questions about McCain's health. About 20 "pool" reporters were allotted three hours to examine 1,173 pages of records covering the last eight years.

"If voters see this as a clean bill of health, it certainly makes it more acceptable that he would be 72 years old when inaugurated," said Peter Brown, assistant director of the Quinnipiac University Polling Institute.

In the most recent Quinnipiac poll of Florida, Ohio and Pennsylvania, three key swing states, one-third of independent voters said they are somewhat or entirely uncomfortable with someone entering office as president at McCain's age.

Sen. Barack Obama, considered the likely Democratic nominee, is 46 years old. His campaign plans to release a summary of his health early next week.

\ No return of cancer

Eight years ago, McCain was diagnosed with a malignant melanoma the size of a dime on his lower left temple. Doctors said they have found no sign that the cancer has come back or spread, and McCain's skin is checked every three to four months. He also wears sunscreen and baseball caps outdoors, and he tries to avoid direct sunlight.

McCain has had four malignant melanomas removed. The other three were not invasive, his doctors said. Those were on his left shoulder, left arm and left nasal sidewall, removed in 1993, 2000 and 2002.

Dr. Suzanne Connolly, McCain's dermatologist, said the senator has several risk factors for skin cancer -- pale skin, light eyes, light hair and a history of excessive exposure to sun -- though he has no family history of melanoma and no known history of unusual moles.

Connolly said a person who has had one melanoma is at greater risk for having another. But she described the possibility that the invasive cancer would return as being in the low single digits.

McCain had an early-stage squamous cell carcinoma, the second most common form of skin cancer, removed in February of this year. He also had benign polyps removed during a routine colonoscopy in March and showed signs of diverticulitis, which is an inflammation of the colon.

The optimism of McCain's doctors about his health seems justified based on the available records, said Dr. Daniel Derman, an internist and president of the Northwestern Memorial Physicians Group in Chicago.

"It's fair to say that for a man his age, he's on the more active end, the more healthy end," Derman said. "I'm not a McCain supporter, but I'd say there's no issue here."

Eckstein, the senator's internist, described McCain as heart-healthy and an avid hiker, having walked the Grand Canyon from rim to rim in August 2006. His stress echocardiogram is normal at a high level of exercise, and there is no sign of decreased blood supply to any part of his heart. He takes simvastatin to lower his cholesterol.

McCain has complained about dizziness, and Eckstein diagnosed him with "very benign positional vertigo." That means that when he gets up from sitting or lying down, he may experience a whirling sensation that lasts 2 to 5 seconds and then disappears. Eckstein said the vertigo does not indicate any vascular problem for the brain and it is not a precursor to having a stroke.

Eckstein said he has encouraged McCain to drink more water and cut his sodium intake. McCain takes aspirin to prevent blood clots, Zyrtec for allergies, a multivitamin and, on occasion, Ambien CR when he has trouble sleeping.

\ A former POW

Until he quit in 1980, McCain smoked two packs of cigarettes a day for 25 years. He drinks as little as two alcoholic drinks a month, the records said.

In October 1967, McCain's plane was shot down over Hanoi and he broke both arms and a leg while ejecting. Subsequently, he was a prisoner of war for 5 1/2 years, and was beaten and tortured regularly. During that time, both of his shoulders were broken.

"Because he received no treatment for his fractures, all fractures healed with significantly reduced range of motion of his shoulders, arms and right knee," Eckstein noted.

Nevertheless, McCain "does not complain of bone or joint pain and does not take pain medication," he said.

McCain takes medication to prevent kidney stones and he has had small kidney stones in his right kidney, as well as a number of small benign cysts in both kidneys.

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Medical McCain

Highlights of John McCain's medical records from 2000 to May 2008:



\*His most recent complete physical was in March; his latest checkup was last week.

\*Blood pressure was 134 over 84. Optimal is below 120 over 80, and high blood pressure begins at 140 over 90.

\*Total cholesterol is a healthy 192, below the worrisome 240 level.

\*He weighs 163 pounds and stands 5 feet 9 1/2 inches tall.

\*His BMI, or body mass index, was just under 24, which puts him at upper end of normal; 25 or higher is overweight.

\*He has had four separate melanomas removed, in 1993, 2000 and 2002. Most were very early stage forms but one, a spot on his temple in 2000, was invasive cancer deemed "intermediate-stage" melanoma.

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***New York Daily News***

**MAC'S HAD SKIN CANCER BUT HE'S OK**

**May 24, 2008**

**By Richard Sisk**

WASHINGTON - John McCain had minor surgery for skin cancer on his lower right leg earlier this month in a previously undisclosed operation. But he is currently cancer-free and in "excellent health," his doctors said yesterday.

The operation followed a biopsy in February, which was not revealed at the time by his campaign. The test determined the spot on his leg was squamous cell carcinoma, said Dr. Suzanne Connolly, McCain's dermatologist.

The spot was "superficial" and "it was destroyed earlier this month," Connolly said during a conference call with McCain's medical team from the Mayo Clinic Scottsdale in Arizona.

According to the Skin Cancer Foundation, squamous cell carcinomas occur in the uppermost layer of the skin. Most cases "are not serious. When identified early and treated promptly, the future is bright," the Foundation said on its Web site.

McCain has had four cases of more dangerous skin melanomas, the most serious occurring on his left temple in 2000.

Doctors removed the cancer and also performed delicate surgery to examine lymph nodes, which showed no signs of spread - leaving McCain with a noticeable scar on the left side of his face.

"Other less serious skin cancers have been removed over the years without complication," said Dr. John Eckstein, McCain's personal physician at Mayo. "These have been nonmelanoma basal cell and squamous cell cancers."

Connolly did not say how many other skin cancers McCain has had removed but noted "it was not a great number."

The fair-skinned McCain has a history of sunburns, many from the five years he was held outdoors in prison camps during the Vietnam War.

The campaign stayed mum because it "was not a significant procedure," one insider said.